

The Right Stuff



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The Tom Wolfe book [“The Right Stuff”](#) chronicles the lives of a group of navy test pilots as well as the early years of the U.S. Space Program during the late 1940s to mid 1960s. The film version of the book reinforces the theme that while decidedly human, these pioneers of air and space had the skills, tenacity and courage to survive and succeed under extraordinary circumstances.

During the past year countless nonprofit organizations have been facing what can only be called extraordinary circumstances. With diminishing revenues and growing demand for services, many nonprofit boards have had to grapple with a range of very difficult decisions, from the need to trim programs and personnel costs to the closure of branch offices located in high demand communities.

Good governance and good risk management, while different, are essential to each other. This week I have been reflecting on the ingredients of an effective board. What qualities represent the “right stuff” when a nonprofit confronts difficult choices and circumstances? What constitutes the “right stuff” when a board gathers to discuss how it will protect and advance the mission of a nonprofit? And what conduct is most destructive to the goal of advancing a community-serving or other charitable mission?

Four critical leadership attributes rise to the top of my list for governing in tough times:

1. **The willingness to work collaboratively to address difficult issues in an atmosphere of mutual respect.** No board member, including the chair, should act as an all-powerful head with a mandate to implement pet programs. Truly effective board chairs invite diverse viewpoints and perspectives and guide the board to collective decision-making. Critical decisions should never be perceived as a “win” or “loss” for the chair. An effective board chair is open to reaching the best possible outcome by drawing out the insights and wisdom of individual members. The very essence of a nonprofit board is its collaborative nature. When the board chair “walks the talk” of collective decision-making, every member of the board will feel valued and empowered to bring their best to the discussion at hand.
2. **The tenacity to establish and then follow basic rules and protocols.** Effective nonprofit boards take the time to establish protocols for board activity. I’m referring more to “this is how we operate” versus the fall-back position that “we follow Robert’s Rules of Order.” Examples of board policies include the requirement that certain issues be vetted by committees and brought to the board for action, without any interference along the way. Another basic operating protocol might be that when controversial issues are discussed, each board member will be invited to comment. Going “around the table” reminds board members that their views are valued equally. Allowing one or two members to overpower the debate with what may in fact be a minority view reflects poor leadership.
3. **The commitment to transparency.** Individually and collectively board members must be committed to operating in a transparent fashion, willing to face the scrutiny of stakeholders for the decisions reached as well as the process employed to reach decisions. Board members who ask or insist on keeping other

board members in the dark should be told that doing so is antithetical to the culture and values of the organization. Boards whose meetings are largely held in “executive session” should openly discuss this issue and explore how they can return to conducting the vast majority of the board’s business “on the record.”

4. **The willingness to bring difficult, even controversial issues, to the board room for candid discussion.** Board members who believe that certain issues are so sacred that they cannot be raised for discussion stand in the way of the nonprofit’s progress. There should be few, if any, sacred cows in a nonprofit organization, no matter how many supporters that issue draws. That’s not to say that bringing up recent board decisions for repeated review is productive. The board chair must exercise discipline in reminding board members who want to rehash recent decisions that the board has spoken and must move on to additional pressing matters.

Connecting the Dots

What is the connection between well-run boards and sound risk management? Highly effective boards are in an ideal position to discuss a nonprofit’s risk-taking appetite and ensure that the actions of the nonprofit—including its management of risk—align with its mission and values. Boards whose members view their service as an opportunity to achieve personal, versus collective goals, add to the risk profile of the organization. Ineffective boards:

- **Bring the entire organization below the bar.** Busy people in the community will be unwilling to serve on a board known for its never-ending meetings, lack of sound operating procedures, and willingness to entertain personal agendas. Worse, busy people who agree to serve are likely to jump ship once they realize that they have been elected to a hornet’s nest rather than a team with a shared vision.
- **Keep the organization in perpetual “crisis mode.”** Unchecked bad behavior consumes precious time and energy that could otherwise be devoted to the nonprofit’s mission. Furthermore, a board that is continually putting out fires (caused in some instances by the bad behavior of its members) will never be in position to accurately forecast the nonprofit’s future. It is impossible to envision the future and take steps to ensure the nonprofit arrives safely if the organization moves from crisis to crisis.

What To Do

Essential “musts” to build and sustain an effective nonprofit board include:

- **Engaging the full board in a candid discussion of the board’s values and operating protocols.** What conduct is expected? What behaviors are prohibited? How do we operate? Is everyone clear?
- **Providing training on mission stewardship.** Many board members eagerly agree to board service with little knowledge of what is required of a nonprofit board member. An orientation to the organization as well as an orientation to board roles and responsibilities is essential. Teaching “the legal duties of nonprofit boards” may be regarded as a bit dry, but it is possible to explain those key responsibilities in a discussion focused on serving as a trustworthy and competent steward of the nonprofit’s mission. While many resources are available, one of my favorites is the annual Volunteer Leadership Issue of *Associations Now*, the monthly magazine of ASAE-The Center for Association Leadership. The 2010 Volunteer Leadership Issue is available with special bulk pricing at www.asaecenter.org.
- **Enforcing the board’s operating norms.** When a rogue board member tries to execute a maneuver that violates the established process for committee work, does the board chair or another senior leader intervene? Is bad behavior confronted or ignored (and therefore condoned)? When operating rules and protocols go unenforced, the effort put into establishing norms and training board members is largely wasted.

During recent weeks I’ve concluded that nonprofit boards tend to attract busy people and busybodies. Busy people juggle competing professional and personal demands while finding the time to contribute their expertise and support to the nonprofit. Busybodies seek appointment to boards to fill time and advance personal agendas. Busy people are eager to contribute to the collaborative shaping of strategies that will advance a nonprofit’s mission. Busybodies look for ways to undermine the nonprofit’s staff, fellow board members and agreed-upon protocols. Nonprofit organizations need and deserve leaders who bring the “right stuff”—unquestionable integrity, the commitment to collaborative problem solving, and the discipline to model the values of the nonprofit. Attracting and retaining effective board leaders is no easy task. And every nonprofit board member is an imperfect human being. But like the test pilots and early astronauts of more than 50 years ago, serving on a board requires courage, the willingness to take risk, and the fortitude to help shape and then enthusiastically embrace a collective mission that exceeds the dreams and aspirations of any single individual.

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