

Risk and the Board: What Could Go Wrong?



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During my career I've reported to and served on some terrific nonprofit boards. And something I've learned first-hand is that no two nonprofit boards are exactly alike. From size, to focus to meeting format, nonprofit boards are perhaps best compared to snowflakes: each is different in some respects from the others.

The risks that arise from nonprofit governance are varied as well. During [Risk Assessments](#) with our nonprofit clients we often discover discrepancies between written governance policies and actual board practice. We also uncover less than supportive relationships between board members and nonprofit CEOs. On occasion, we work with organizations facing a crisis *caused* by ineffective governance. The good news about "governance risk" is that just about anything can be fixed with time and attention.

In this season's issue of [Risk Management Essentials](#), we delve into three critical risk issues facing nonprofit boards:

- [Board-CEO relationships](#);
- [Succession planning](#); and
- [CEO Compensation](#)

If these risk issues keep you—or any members of your board—awake at night, I hope you'll check out The Board Issue of [Risk Management Essentials](#). Each article offers an analysis of the risks and practical tips that will help you put worry to bed and sleep better.

If your nonprofit's governance practices need more intensive therapy, contact [me](#) to learn about our risk consulting services. We work one-on-one with high-performing nonprofits to identify and address critical risks, including those that arise from governance activity.

Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She welcomes your ideas about any risk management topic, suggestions for best-in-class risk management, and questions about the Center's resources at Melanie@nonprofitrisk.org or 703.777.3504. The Center provides risk management tools and resources at www.https://nonprofitrisk.org/ and offers [consulting assistance](#) to organizations unwilling to leave their missions to chance.