

Why Boards Don't Work

How They Should Work

by Roger Neugebauer

Invariably, whenever *Exchange* surveys center directors about their major frustrations, near the top of the list for non profit directors appears, "working with a board of directors." Boards are either viewed as much too involved -- meddling in day to day matters that should not be their concern -- or too little involved -- requiring too much maintenance from the director.

As will be noted later on, there are certainly some structural challenges which complicate the relationship between the director and the board. However, given proper attention, a board of directors can be a source of satisfaction, not frustration, for a director. This article will review what can go wrong with a board/director relationship and then share some ideas on what can go right.

What Can Go Wrong?

In over a quarter of a century in the field, I have served on the boards of eight national organizations and six local centers and spent time in hundreds of other non profit centers. In all these experiences, I have seen a great deal go wrong in director/board relationships. Here are the most common problems:

The board as rubber stamp

A board can abdicate its responsibility either by becoming so apathetic that it fails to take its work seriously or so

enamored with the director that it never challenges anything she proposes. In either case, the board fails to exercise its authority and becomes little more than a rubber stamp for the director. In this case, the board fails to serve the community and becomes little more than a nuisance for the director.

The board as micro-manager

A board of directors can also be derelict if it focuses its attention too narrowly on day-to-day details. A board can spend hours debating what type of carpet to order for the reception area, what grocery store to shop at, and one board member's unhappiness with the new teacher aide. Invariably, a board so involved in minutia fails to attend to the big picture -- whether the center is meeting its goals or whether the budget is working.

The board as staff champion

Staff members who have a beef with the center director may look for support from members of the board of directors. Maybe a board member is a parent from this teacher's classroom. So the aggrieved teacher lays out her complaint to the parent and the parent goes to the board determined to right this wrong. Likewise, a staff member who is fired may call board members to try to stir up trouble for the director. By letting staff members do an end run around their director, a board can undermine the authority of a director, leaving her in an untenable position.

The board as personality cult

In a time when volunteers are in short supply, people with an unhealthy need to exercise power can maneuver themselves into positions of authority on a board. They can use this position to wage their personal battles, to promote their own interests, or simply to grab the spotlight. In the worst case, a board member on a personal mission may harm the organization (such as the board president of a church center whose personality conflict with the pastor caused the center's support in the church to plummet). In the best case, valuable board time may be wasted on irrelevant issues (such as the board member who brought her personal trainer to a board meeting to try to get the center to offer aerobics classes for preschoolers).

The board as trends chaser

If members of a board do not have a deep understanding of the mission of the center, they can get easily distracted by *flavor-of-the-month* program ideas. With the best of intentions, board members can get excited about implementing a new computer game, getting all the children to learn to read by age four, or the latest meditation system from India. When board members don't understand the goals of the center, anything can fit in. As a result, valuable board time is consumed exploring ideas that clearly are inappropriate.

The board as pawn

Occasionally, executive directors deliberately set out to undermine the authority

of their boards. Here are some strategies they employ to do this:

■ **Agenda Control.** A director can prevent the board from addressing issues he doesn't want addressed by controlling the agenda. He can leave sensitive issues off the agenda, fill the agenda with reports that consume time and leave little time for questions or discussions, and place key issues, such as the budget, at the very end of the agenda when time will be running short and board members will be eager to wrap it up and go home.

■ **Meeting Control.** A director can also make sure problematic issues don't surface by running meetings. In this role, she can cut short discussions that are getting dicey, avoid calling on board members who ask difficult questions, and prevent the board from moving into executive session -- thus denying board members an opportunity to strategize about taking back control of meetings.

■ **Board Isolation.** To keep board members in the dark about what is actually going on in the organization, and about staff morale, a director can preclude staff members from attending board meetings, and prevent board members from visiting the center and talking to staff members one-on-one.

■ **Board Manipulation.** A director can also manipulate the board by being the one who prepares minutes of the meeting. In this way she can edit out comments that reflect negatively on her or raise sensitive issues. She can "forget" to include motions that could cause difficulty.

■ **Board Pampering.** To help board members enjoy being on the board and to feel good about the director, he can emphasize "feel good" activities. Board meetings can be turned into social occasions — meals at fancy restaurants, plays, field trips, etc. These activities are presented as rewards for the tireless contributions of the board members. Likewise, to keep board mem-

bers from challenging her authority, the director can pamper them with special attention, presents, connections to good deals, special treatment for their children or children of their friends.

When the United States government came up with the non profit concept, authority was vested in boards of directors with the purpose of providing community control and support for these quasi-public organizations. History has proven that this purpose has not been consistently achieved by non profits.

That non profits frequently fall into the pitfalls described above is part human nature and part organizational inevitability. The concept of having the major decisions of an organization made by volunteers who only meet once a month at most, flies in the face of all business logic. Decisions should be made at the point where the most expertise can be brought to bear, not at a point farthest removed from the action. Therefore, the challenges boards of directors face in accomplishing their basic purpose are somewhat built into the process.

What Can Go Right?

Nonetheless, many early childhood programs are blessed with boards that do support their mission, where the center director and the board of directors work in harmony. Despite all odds, these boards manage to get things right.

The board as boss

In the era of Enron, where boards of corporations have allowed executives to run amuck pillaging corporations' assets, one would hope that even directors of non profit corporations would recognize the seriousness of their responsibility. They are not advisors, they are not cheerleaders, they are the bosses. They have been charged by the government with seeing to it that the resources of the organization are wisely and legally employed.

This view is most important as it relates to the relationship between the board and the director. Most early childhood boards behave as if the director is their boss, when, in fact, the director is their employee.

While it is important that the director and board maintain an effective working relationship, the board cannot abdicate its responsibilities to the director. Specifically:

■ The director and other members of the corporation should be invited to submit items for the agenda, but the President of the board (or an executive committee) should establish the final agenda for meetings.

■ Board meetings should be chaired by the President, not by the director. In fact, the director should not be a board member, but should at most be an ex officio, non-voting, board member.

■ Minutes of board meetings should be prepared by the board (possibly with secretarial support from the staff).

■ New board members should be recruited and elected by the board itself -- taking suggestions, of course, from the director and other members of the community.

■ The board should retain the right to hold executive sessions without the presence of its employees.

The board as evaluator

In order for board members to credibly exercise their responsibilities, they need to be able to decide whether the program is achieving its goals and whether the director is performing well. This is hugely difficult for board members whose only contact is a monthly two-hour meeting. How can they possibly make judgments based solely on what goes on in these meetings?

Here are some steps a board can take to carry out its key evaluator role effectively:

- View evaluation as a year-round, not year-end, responsibility. Develop a monthly plan for carrying out evaluation procedures.
- Hire an outside consultant to a board meeting to provide suggestions on what to look for when observing in a center.
- Require board members (parents and non parents) to spend four hours a month observing in classrooms and to take notes on their observations.
- Divvy up the evaluation job into chunks -- budgetary results, parent reactions, teacher motivation, classroom performance, health and safety compliance, etc. -- and assign each board member to a team evaluating one of these chunks throughout the year.
- Conduct a quarterly survey on staff morale.
- Conduct a quarterly survey on parent satisfaction.
- At the beginning of the year set specific goals for the director to accomplish -- increase utilization to 90%, raise \$40,000 for scholarship fund, achieve NAEYC accreditation, lower turnover by 20% -- and monitor her progress in meeting these goals quarterly.

The board as developer

Some organizations recruit people to be on their boards with the expectation that they will make significant donations. This may work well in the short term, but it comes with potential downsides.

Sometimes centers pay a steep price for the involvement of wealthy patrons they recruit to be on their boards. These donors, aware of their value, can take advantage of this by exercising veto

power over center decisions and pursuing their own agendas. On balance, it may be more valuable to recruit people to serve on a board who may not be wealthy themselves but know how to connect with the funding sources in the community.

An organization should take advantage of the board in promoting their program in the community. At the beginning of each year the board should conduct a networking audit of its members. Spell out whom on the board has connections with which important sectors in the community. Who can open doors and state the case for the organization with bankers, the media, regulators, legislators, public officials, employers? Having done this audit, the board should be proactive in promoting the organization in any way it can.

The board as an asset

While the board needs to be primarily viewed as the overseer of the organization, its existence should also be viewed as an opportunity to add value to the organization. It can be an asset by providing needed expertise, by providing support to the director, and by providing support to the staff.

An organization should look upon recruiting board members as an opportunity to secure, without expenditure, expertise that it needs. Board members should be recruited who cover all the bases -- expertise in financial management, child development, parenting, marketing, staff supervision, education, etc.

Some people with special expertise may not be willing to commit to full board participation. For these key players a special "Community Resources" subcommittee can be created. This committee may never meet, but its members can be on call to attend an occasional board meeting or to meet with the director when their expertise is required.

An organization needs to be proactive in taking advantage of this expertise. Board meetings should be structured so that people's time is spent brainstorming on challenges facing the center, with each member contributing their expert insights, rather than having everyone sit and listen to endless reports.

The board can also provide much needed support for staff. A center director must be able to respond to the needs of the children, staff members, parents, public officials, neighbors, and in some cases, employers. With all these demands on her attention, a director needs a place to talk through problems and opportunities. The director needs the board (or individual board members) to be available as a sounding board.

Likewise, center staff need support. Teachers typically identify appreciation as an important, yet seldom received, reward. The board can provide a significant boost to staff morale by coming up with creative ideas for saying thank you to staff -- flowers delivered to the center, birthday celebrations, surprise days off, staff appreciation dinners, one-on-one thank you conversations.

If an executive director and members of a board are truly committed to making this an effective working relationship, it can be done. The board can assume its role not only as the final decision maker in the organization, but also as an invaluable supporter for both staff and director.