



**OHIO MUSEUMS  
ASSOCIATION**

# Board Engagement & Decision Making

Ohio Museums Association  
Webinar Series  
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Kerri Laubenthal Mollard, Founder & CEO

mollard  
consulting  
a nonprofit partner

WELCOME

# OUR MISSION

To build the capacity of nonprofit organizations and the individuals who serve them.

# OUR VISION

Thriving communities and families  
through highly effective nonprofits.

# LEARNING OBJECTIVES

- Understand the strategic importance of the board-staff relationship.
- Understand board roles and responsibilities.
- Review the latest national research and best practices to improve decision making.

# ABOUT YOU

How would you rate the health of your board-chief executive relationship?

- Very Healthy
- Healthy
- Neutral
- Unhealthy
- Very Unhealthy

How would you rate the **level of decision making** in your organization?

- Excellent
- Good
- Neutral
- Bad
- Terrible



# QUESTIONS

If you have a specific question that you would like answered, please put in the chat and we'll make sure to address it.

# BOARD GOVERNANCE BASICS

# FUNDAMENTALS

A board is the governing body of a nonprofit.

The authority rests with the group, the collective, not with individual members — although individuals have responsibilities.

# FUNDAMENTALS

We believe that the single most important relationship in your organization is **between the chief executive and the board.**

The second most important relationship is between the board members themselves.

*"I love everything about my job,  
except for the board."*

# FUNDAMENTALS

*“Exceptional boards govern in constructive partnership with the chief executive, recognizing that the effectiveness of the board and chief executive are interdependent.”*

— BoardSource, *The Source*

# ROLES AND RESPONSIBILITIES

PER BOARDSOURCE

1. Determine mission and purpose, and advocate for them.
2. Select the chief executive.
3. Support and evaluate the chief executive.
4. Ensure effective planning.
5. Monitor and strengthen programs and services.
6. Ensure adequate financial resources.
7. Protect assets and provide financial oversight.
8. Build and sustain a competent board.
9. Ensure legal and ethical integrity.
10. Enhance the organization's public standing.

## Duty of Care

Exercise reasonable care as a steward.

## Duty of Loyalty

Faithful to organization, no self-gain.

## Duty of Obedience

Faithful to mission, public trust.

# Three legal duties.



# CONSTRUCTIVE PARTNERSHIP

# THE SOURCE

*“There is a reason why constructive partnership is the very first principle. It is the foundation on which exceptional governance is built.”*

*— BoardSource, Ann Cohen*

*“I can either manage the board,  
or manage the organization,  
I can't do both.”*

# THE SOURCE

*“Exceptional boards recognize that they cannot govern well without the chief executive’s collaboration and that the chief executive cannot lead the organization to its full potential without the board’s unflagging support.”*

— BoardSource, *The Source*

# THE SOURCE

## RESPONSIBLE BOARDS



## THE SOURCE OF POWER



## EXCEPTIONAL BOARDS

Delegate operations to  
chief executive

Evaluate chief executive annually

Ensure fair and competitive  
compensation

Develop a job description with  
and for the chief executive

Trust, candor, and respect

Sharing good and bad news

Communication in and  
between meetings

Open and honest chief executive

Insightful tools and information

Face and resolve  
problems early

Attract more qualified  
chief executives

Retain talented  
chief executives longer

Change executive leadership  
at the right time

# THE SOURCE

*“How the staff gets its work done is the responsibility of the chief executive. Likewise, how the board manages its own tasks is the responsibility of the chair.*

*In a productive partnership, the chief executive uses the board as a sounding board. Together, the two formulate strategic decisions to guide the organization. However, they need to ensure that the details of implementation are left to appropriate individuals within the professional team.*

*— BoardSource, Ann Cohen*

# MAKING DECISIONS

# BOARD MEETINGS

**Who** on the staff attends board meetings?

**What** does the agenda look like?

**When** does the board meet?

**Which** departments give reports or make presentations?

**How** are committees utilized?

**How** are decisions made?



# BOARD MEETINGS

What percentage of your board meeting time is spent on the past, present, and future?

*Past - 0% to 100%*

*Present - 0% to 100%*

*Future - 0% to 100%*

# BOARD COMMITTEES

STRATEGIC  
*Board led*

OPERATIONS  
*Staff led*

# LEADING WITH INTENT

# BOARD PERFORMANCE

BoardSource publishes a biennial study of board governance called *Leading with Intent: BoardSource Index of Nonprofit Board Practices*.

Board's impact on defining strategic priorities	Chief Executives	Board Chairs
Very positive	35%	52%
Somewhat positive	41%	34%
Neither positive or negative	16%	12%
Somewhat or very negative	8%	2%

# LWI 2021 Key Findings

1. Boards are disconnected from the communities and people they serve.
2. Boards that prioritize fundraising above all else when it comes to the board's role do so at the expense of organizational strategy, relevance, and impact.
3. Boards and executives should reflect on what is prioritized in terms of board expectations and how time is spent.
4. The board chair's leadership in ensuring that there are clear expectations of board service seems to matter most when it comes to the board's overall culture.

# BOARD PERFORMANCE

*“Leading with Intent also finds that **the board's focus on strategic versus operational issues matters.**”*

*In both chief executive and board chair responses, those boards that lean toward strategic engagement receive higher ratings of board performance than those that lean more towards operational engagement.”*

# RANKINGS OF AREAS OF BOARD PERFORMANCE BY LEVEL OF IMPORTANCE



Understanding The Organization's Mission
Financial Oversight
Understanding The Board's Roles and Responsibilities
Thinking Strategically as a Board
Level of Commitment and Involvement
Setting The Organization's Strategic Direction (In Partnership With The Chief Executive)
Projecting a Positive Public Image of The Organization
Fundraising
Legal and Ethical Oversight
Building Relationships Within The Community That Help Support and Inform The Organization's Work (Separate From Fundraising)
Knowledge of The Organization's Programs
Evaluating The Chief Executive's Performance Against Goals
Monitoring Impact In The Context of The Strategic Goals Or Objectives
Building a Diverse and Inclusive Board With a Commitment to Equity
Understanding The Context (Funding Landscape, Public Policy Environment, Other Organizational Players, Etc.) In Which The Organization Is Working
Providing Guidance To The Chief Executive
Leveraging Board Connections and Networks To Influence Public Policy Decisions
Monitoring Legislative and Regulatory Issues

# INITIATING CHANGE



## "Challenging the Orthodoxies of Philanthropy"

*Stanford Social Innovation Review*

"According to military folklore, shortly before World War II the US and British armies conducted a joint exercise and came to a strange realization: The American artillery team fired just a little bit faster than the British squad every time. They analyzed the process and found that just before the British would fire, several soldiers would step back and pause for a second. They would wait until the gun fired, and then rejoin their team to reload."

## "Challenging the Orthodoxies of Philanthropy"

*Stanford Social Innovation Review*

"No one was certain why this hitch was part of the process. When asked, the soldiers simply explained, "That's how we were trained to do it." The military asked several experts to get to the bottom of the slowdown. But no one could figure it out until a veteran from the Second Boer War finally provided the answer. He watched the process, thought about it for a minute, and then explained: "I know what they're doing," he said. "They're holding the horses."

## "Challenging the Orthodoxies of Philanthropy"

*Stanford Social Innovation Review*

"Because back when teams of horses pulled the guns to the battlefield, if no one stepped back to hold the horses' reins, the animals would bolt at the sound of the shot. Amazingly—decades after horses were no longer involved—the practice carried on."

# ORTHODOXIES

What is one orthodoxy that exists in your organization about how decisions are made or how change is initiated?

# Q & A

# THANK YOU

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 [linkedin.com/in/kerrimollard](https://www.linkedin.com/in/kerrimollard)

[www.mollardconsulting.com](http://www.mollardconsulting.com)

3 North High St. Suite 200  
New Albany, OH 43054  
614-484-1600

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consulting  
a nonprofit partner