

# 10 Things Working Boards Need To Know

## RESOURCE

2015

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## 1. THE IMPORTANCE OF MAKING TIME FOR GOVERNANCE.

**The Myth:** In the absence of having paid staff, working boards primarily exist to fulfill the day-to-day operational needs of organizations.

**The Truth:** While operational excellence is a priority for working boards, equal emphasis needs to be placed on governance and leadership. Great working boards are those which make time to think about the big picture. Using tools like a board calendar can help working boards forecast their governance needs, and stay on track by embedding governance activities in every board meeting.

## 2. THE ROLE OF STEWARDSHIP.

**The Myth:** I serve on the board to represent the interests of stakeholders like me. How else will their voices be heard?

**The Truth:** Board members are obligated to act in and represent the interests of the organization. Part of that responsibility is making sure there are channels for connecting with key stakeholders and audiences.

## 3. THE DIFFERENCE BETWEEN EFFECTIVENESS AND EFFICIENCY.

**The Myth:** Working boards are responsible to ensure that, as much as humanly possible, every cent collected from donations and other revenues are spent on programs and services.

**The Truth:** Building the capacity to deliver on your organizational mission requires a financial investment. In order to do good work, you have to have good systems, people and strategies in place.

## 4. THE LIABILITY OF JOINING A BOARD

**The Myth:** If things go wrong, it doesn't matter that much – we are just volunteers, after all.

**The Truth:** You are legally held responsible for decisions made at the board table. You have a fiduciary responsibility to uphold your organizational bylaws, all pertinent local laws, maintain regulatory filings, and ensure financial audits are complete. Investing in a directors and officers liability insurance policy will limit board member's personal risk.

## 5. THE VALUE OF ENGAGING KNOWLEDGE PHILANTHROPISTS

**The Myth:** Burnout is a function of being a working board, because board members are the only volunteers we can trust to get important things done

**The Truth:** There is a wide network of highly-skilled volunteers who are looking to contribute their talents to organizations like yours. Many are interested in becoming involved with volunteering in roles other than as a board member. Reach out to your existing networks, and use tools like GoVolunteer.ca to connect with them.

## 6. BE CONFIDENT WITH WHERE YOU ARE

**The Myth:** We should aspire to be like the biggest, best organizations in our field.

**The Truth:** What 'the best' organization looks like will differ widely, depending on a number of factors related to what stage of development your organization is at. Similarly, priorities for board recruitment, program delivery, and administrative systems will be shaped by your particular organizational lifecycle stage. A young organization in start-up mode does not need to model itself after a mature organization with a \$1M budget.

## 7. THE IMPORTANCE OF THOUGHTFUL BOARD DESIGN.

**The Myth:** Having board members serve as directors-at-large allows more flexibility in managing a variety of operational and governance needs – we have committees to take up the slack.

**The Truth:** Putting time into a detailed board composition and committee structure will reduce oversight gaps and operational overlap. Creating a dedicated role for each board member ensures that there is clear ownership of key governance and operational priorities. Limit the number of standing committees that report to the board to those activities that are both strategic and ongoing, such as finance and board development. Project-based and time-bound committees, also known as task forces, can become a key tool in executing special assignments, and are more easily dissolved once projects are complete.

Learn more about connecting with the abundance of talent in your community through our [Knowledge Philanthropy workshop](#).

## 8. HOW TO MAXIMIZE THE IMPACT OF BOARD MEETINGS.

**The Myth:** Board meetings are the best time for us to settle details relating to programming and events, and share updates on who is doing what.

**The Truth:** Whenever possible, delegate decisions about operational details to committees and task forces. Use tools like annotated agendas and consent agendas to reorganize the flow and energy of your board meetings towards making decisions of consequence. Board meetings are a great time – likely the best time – to do the high-level visioning for your organization, and ensure strategic and fiduciary questions are addressed.

## 9. THE VALUE OF HEALTHY CONFLICT.

**The Myth:** As board members, it's important that we all get along and see eye to eye.

**The Truth:** Productive conflict is not only healthy but necessary to high-functioning boards. You need a diversity of thinking styles, opinions and approaches to make well-informed, thoughtful decisions. What's often more important than having shared perspectives is finding ways of arriving at decisions that have buy-in from the board.

## 10. SPECIAL EVENTS ARE A HIGH-RISK, LOW-RETURN WAY OF FUNDRAISING.

**The Myth:** Gala-style events are the best way to raise significant funds for our organization.

**The Truth:** More often than not, these events provide a low rate of return due to high production costs, and can contribute to board member burnout due to the complexity of staging them. Instead, engaging the board to create a culture of fundraising can lead to a more diverse and robust fundraising strategy.

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*Transforming  
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