

Governance Brief

A DARC quarterly piece on nonprofit boards

RESTRUCTURING MEETING TIME AND COMMITTEE WORK

-How to Build a More Effective Board

Another component of improved performance is restructuring the board's use of committees and meeting time to emphasize its strategic priorities. Careful use of the scarce resource of meeting time is a concern of many members. Meeting agendas should be designed so that they sustain focus on key issues of strategy and policy. At the outset, have a member simply monitor the amount of time the board spends on each issue in a meeting and rate its relevance to the board's priorities. The board can consider the relationship between its priorities and its actual use of time.

Better boards limit meeting agendas to a few top priority matters. They cluster routine reports and non-exceptional motions that require board approval into a "consent agenda" that will be voted on in one action rather than separately. Any member can request that an item be separated out for discussion, thus protecting the board's ultimate right to examine any issue. However, the practice allows the board to concentrate its attention on those few matters of highest priority to the organization and avoid getting bogged down in operational details.

Restructuring how the board organizes and charges its committees is another way to improve performance. Instead of committees that mirror management divisions (such as personnel, programs, finances), boards should let form follow function. The strategic priorities provide the point of departure, from which work group assignments and meeting agendas are derived. Board committees should be constructed to focus members' efforts on each of the board's goals, and they should go out of existence when a goal is attained.

One vital aspect of learning is knowing what information is needed in order to monitor performance. Most boards are familiar with indicators of the organization's financial performance, but few extend their surveillance to other aspects of the organization. Those that do attempt to monitor wider information often find themselves buried in piles of management information, and soon become drawn into second guessing operational decisions.

Better boards learn what is important to watch and monitor, rather than trying to examine everything. They make use of their strategic plan to identify the specific forms of information they need in order to monitor progress toward key goals and to assess the results of efforts to attain them. These dashboards of key indicators show the organization's progress toward goals.

This process begins with identifying the most critical areas of performance, such as acquisition and allocation of resources as well as utilization, quality, and outcomes of services. Once the board has identified the aspects it wants to monitor, the group identifies the indicators that reveal performance in these areas. Then the board and staff define the desired standards of performance in each of these areas. Finally, it specifies the format and times for receiving all this information. Monitoring them serves to focus the board's attention on those few matters of top priority to its leadership of the organization.

Obtaining and reflecting on feedback about the board's own performance is another vital means for learning. Better boards make assessment of their performance a regular component of the board's responsibility. Getting started with this process can begin with brief assessments at the conclusion of every meeting to obtain participants' views of this session and suggestions to improve the next one. At some point, bringing in outside experts in board performance is important so that the group does not allow blind spots to continue.

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