

# Board & Administrator

FOR ADMINISTRATORS ONLY

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Editor: Jeff Stratton

## Individual Board Plans boost board engagement

If someone was to offer you a handy tool that not only helps board members meet their commitments, but also makes them feel better about their board service, you'd probably say, "Where do I sign?"

Executive Director Michael Norris (Philadelphia, Pa.) said his board has used Individual Board Plans (IBP) for four years now and with great results.

The IBPs make it easier for Norris to keep up with his board members commitments, allow for a clear understanding of expectations by new and veteran board members and have increased overall board engagement, he said.

"The genesis of the IBP came from the board itself," Norris said. "Board members wanted a method to show that they were performing tasks that were helpful to the organization, but also demystified the role of the board member."

Think of an IBP as an annual work plan for each board member. They are similar to what an employee might create as a plan to achieve certain goals, but are relevant to what an effective board member should be doing. (See page 6 for an example of an IBP.)

After much discussion within his board, the group hit upon the idea of having each board member fill out the IBP form annually, Norris said. "This gives board members a blueprint for what we hope they will achieve in the coming year," he said.

The organization's fiscal year ends in July. Board members fill out their IBPs for the coming year in late summer and early fall, Norris said.

Once the IBPs were in place, it soon became evident that the tool was a useful technique for assessing board member commitment and engagement, Norris said. "Board members have committed to doing certain things and if they don't, a board member can ask why something did or didn't happen," he said. "That makes people accountable."

Initially, IBPs for each board member were developed through the board's Engagement Committee, Norris said. Each member of the committee was assigned to work with several board members to develop their IBP, Norris said. "That committee member checks in with the board members he's responsible for throughout the year to see where things stand," he said.

Now with the process in place, board members typically create their own IBPs, or go out to lunch with a committee member and work it out. "We've been doing it for four years now and members don't need the backstory," Norris said.

Often, when a board develops a commitment tool like this for the first time, it will lose several members who aren't comfortable with the commitments required. This didn't happen with his board, Norris said.

"It was the board itself that came up with the

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## Board & Administrator

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## Board Issues Hotline

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# From The Board Doctor

## *How to talk turkey about tough finances with your board*

You won't lose your job over a struggling program.

Executive directors almost never lose their job because one program has lost its relevance or is just limping along.

Over the years, I've learned the most likely causes for an executive director's termination are:

1. They can't get along with the organization's staff.
2. They can't get along with their board.
3. They can't balance the non-profit's budget.

When you see a problem in one of these three areas, jump on it. It can spin out of control rapidly.

On a monthly basis, most executive directors do an excellent job of communicating the financial picture to their boards. At most nonprofit organizations right now however, balancing the budget is a challenge that you must work on overtime as employees are being laid off and programs shut down around the country.

When the economic picture is difficult and the news at your organization continues to be grim, it becomes more challenging. Your finances may be dependent on fundraising or on developments in local, state and federal politics that you have very little power to sway. Those factors may change weekly. And your board must understand that matters are in flux.

Often, the administrator will say to her board, "This is what we're planning on." But then a week

later, the news changes and the administrator has no plan for it.

After several iterations of this scenario play out, the board is confused. They don't know if your explanation is correct or if they're even getting correct information. That's when board trouble occurs.

In order to maintain your professional countenance and to keep your board's confidence, be certain to:

**Be honest and take a candid approach.** Tell your board straight up, "This is political information we are dealing with. It will change many times before we get to the end of the process."

**Promise your board to keep them informed about each development and that you will give your best advice.** But the board needs to understand that if government funders change their minds, and donors are not opening up their checkbooks, your advice may have to change.

Put a healthy dose of that message in every fiscal update you give to your board.

Jeff Stratton, editor  
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### In the next issue...

- Review a board communication primer
- Develop shared board values
- Overcome technical barriers to effective communication
- Design guidelines for your board mentoring program ■

# What Is Expected of a Nonprofit Board Member

During the board recruitment process, it's important to clearly communicate your expectations for board service. Use the following "What Is Expected of a Nonprofit Board Member" resource to stimulate a discussion with your board members about developing a similar handout for your board to use in recruitment.

"What Is Expected of a Nonprofit Board Member"

Indicate your willingness to meet these responsibilities.

## 1. Preparation

Educate myself about the organization, its history and goals, its strengths and weaknesses, and the people it serves

Stay current with national, state and local issues that affect the organization and the people it serves

Educate myself on the roles and responsibilities of the full board, as well as for individual board members

## 2. Participation

Attend all monthly meetings

Be an active participant in the organization's activities

Be a knowledgeable and enthusiastic supporter of the nonprofit

Serve on at least one committee

Advocate on behalf of the nonprofit

Make a financial contribution

Participate in discussions at board and committee meetings. Understand the issues before voting

Recognize that I am a member of the board and administrator team

## 3. Time Commitment

Attend board orientation sessions and board education sessions

Attend board meetings, committee meetings, and nonprofit events and activities

Perform the work I've committed to completing before meetings, which includes reading the meeting agenda and support materials

## 4. Constraints and Limitations

Support board decisions once they are made, even if I voted against a specific action

Avoid conflicts of interest

Understand that the board member's job isn't to manage the organization or its staff. That is the executive's responsibility. ■

## Find new board members with these strategies

President and CEO Richard McMillen (Lancaster, Pa.) offers these five tactics for finding new board members.

**1. Explore the connections of your current board members.** "They may be in a service club or attend church with someone who would be a good possibility," McMillen said.

**2. Identify who is serving on other boards.** Their term may be ending and you can begin to cultivate their interest in your organization, McMillen said.

**3. Get to know your community's**

**"future stars."** Make contact with those who seem to have a bright future but are currently in a lower position, McMillen said. "That person may be the CEO or president of the local business or bank in the future," he said.

**4. Enlist potential board members' help.** Use them on committees or for short-term projects, McMillen said. "This gives them some insights into the mission of your organization," he said.

**5. Keep an on going list of potential new board members.** ■

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idea and were excited about the IBP,” Norris said.

Board members were happy that the tool isn’t designed solely to ensure that board members fundraise. If you review the form, you notice that it has expectations for community engagement and advocacy as well. “We’re a small organization and feel board members can have an impact beyond fundraising,” Norris said. “It may be programmatic expertise, or relationships in the community. We want the IBP to take a comprehensive look at the way board members could be helpful.”

The flexibility of the tool is useful, Norris said. IBPs are adapted over time to address strategic needs the organization faces. “Each year, we revisit the form and add things that rise out of strategic conversations we have,” Norris said. “Last year, we added a section on elected officials and developing deeper relationships with state legislators.”

Norris has been satisfied with the results the

IBPs deliver. “It works, because the process we use is peer-to-peer,” he said. “That’s what creates the accountability that makes it effective. The IBPs have also led to board members developing deeper relationships within the board. It’s particularly helpful when new members join and they get to know someone through working together on an IBP.”

Norris equates stronger board involvement with better governance. That’s because everybody is clear on what the board member’s job entails. “The IBP gives us a tool that lets board members manage their own engagement with the organization,” he said. “It’s made my life easier, because we have a very specific and tactical tool that says to board members, ‘Just do what’s on that list and we’ll all be happy.’ I have a clear sense of what I can expect from people.”

The board has 17 members. When the board recruits its new members, prospects are shown the IBPs as part of the nominating process, Norris said. ■

## Tips for putting IBPs in place on your board

Kayte Connelly, CCT Chief Solutions officer was the board member on Executive Director Michael Norris’ board who led the process of developing Individual Board Plans for the first time. Connelly is also a consultant who works with boards on the IBP concept. She offers these tips for successfully implementing IBPs with your board:

- **Use a committee to put IBPs in place.** If they are going to work, it’s very important for board members to hold themselves accountable, Connelly said.

- **Set board goals.** If the board says it will bring in \$25,000, take a look at your board members’ knowledge and skills and means to contribute. On the IBP, assess who can write checks, who knows check writers, who can share their Rolodex, Connelly said. “Those are the types of things board members must willingly decide and commit to each year,” she said.

- **Address member knowledge gaps.** The bottom of the IBP form (see page 6) has space for board members to indicate what information they need about the organization or a specific task to be successful. “It’s important to strengthen the board members’ skills so that they can speak intelligently about the organization,” Connelly said.

- **Ensure executive director/board member**

- **buy-in.** “If you want to begin a different way of engaging your board members, you need to have a champion on your board,” Connelly said. “You can’t put IBPs into place without a partnership between the executive and a key board member.”

That board member can be your current board chair, a long-serving board member, or someone new who brings fresh energy to the board, Connelly said.

- **Consider IBP updates on the board’s meeting agenda.** Either under “new business” or “financial reports” give board members a chance to say what they did for the organization in the past month, Connelly said. “These can be, ‘I secured a printer for us this month,’ or ‘I spoke to the Rotary Club last week’ type of updates. It’s important that board members have a chance to talk about how they are engaging the organization in their daily routines.”

- **Use IBPs to give board members permission to leave the board.** Some board members won’t be able to handle the change, Connelly said. “IBPs permit your ‘deadwood’ board members to wean themselves off the board or show them that it’s time to move on,” she said.

For information, reach Connelly at (610) 644-6922. Connelly has a book out entitled, *Engaging Your Board: It’s Raining Yen*. ■

# Review administrator salary data compared to board size

The two charts below show administrator salary and demographic data compared to board size. Notice how in the first three board-size categories the exec's salary increases—substantially—as the board gets bigger.

Also notice that the huge board is a rare thing in the *Board & Administrator* readership.

Only three percent of administrators report that their board is bigger than 30 members in size.

The data come from *Board & Administrator's* annual survey of nonprofit executive compensation. Keep reading for more compensation and demographic data from our annual survey. ■

**Chart 12. Part 1 of 2**

Board Size	Percentage Responded	Average Salary	Median Salary	Highest Salary	Lowest Salary	Average Yrs. of Education	Average Yrs. of Experience	Average Yrs. in Current Position	Avg. Full-Time Staff	Avg. Part-Time Staff	Average Volunteers
1 - 7	6%	\$91,768	\$89,940	\$133,000	\$54,191	19	25	12	60	22	5
8 - 15	48%	\$99,586	\$97,000	\$178,000	\$52,291	18	27	16	124	59	82
16 - 30	43%	\$114,593	\$110,125	\$242,000	\$53,000	18	23	12	112	34	154
31 +	3%	\$104,362	\$105,000	\$118,000	\$90,086	19	28	22	27	21	-

**Chart 12. Part 2 of 2**

Board Size	Average Raise	Average Raise Next 12	Average Fringe Benefit	Average Bonus	Average Annual Budget	Average Bd. Retirement Contribution	Avg. Number of Committees	Highest No. Committee	Lowest No. Committee
1 - 7	5%	3%	\$21,902	\$12,500	\$8,068,700	\$12,500	4	6	1
8 - 15	3%	3%	\$21,642	\$10,613	\$7,748,418	\$21,505	4	7	1
16 - 30	4%	4%	\$20,607	\$4,304	\$11,707,737	\$22,611	5	12	1
31 +	4%	3%	\$15,000	\$6,500	\$2,633,333	-	4	4	4

## Get the most out of your relationship with the board chair

Executive Director Paul Fockler (Woodward, Ok.) said he not only uses his chair as a sounding board, but that he also runs difficult situations or tasks past the chair to test what response he might get before an issue comes before the full board. "It's a test of the waters, so to speak," he said.

Fockler said he also uses his chair as a "sheriff" with other board members. That's because the chair can perform some tasks that involve issues or problems that are simply not appropriate for the executive to handle.

"The chair can step in with board members

who want to control issues because they believe very strongly in the cause," Fockler said. "My chair can also address non-productive board members who don't assist with our projects or fundraisers."

Board giving is another issue that a chair can handle more effectively than the administrator. "We have a 'must-give' practice for our board members. The gift doesn't have to be hundreds or thousands of dollars, but our board members must personally give to the agency each year," Fockler said. A lapse in giving by a board member is appropriate for the chair to address, he said. ■

## Resource

# Individual Board Plan

Art-Reach

2010-2011 Individual Board Plan

Board Member Name: \_\_\_\_\_

Team Captain: \_\_\_\_\_

<u>Project/Task</u>	<u>Specific Outcome/Action</u>	<u>Timeline</u>
---------------------	--------------------------------	-----------------

**1. Organizational Work**

- a. Committee: \_\_\_\_\_
- b. Review FY 9-10 IBP  
Were you able to complete your assignments/pledges last year?
- c. Do you have any new connections w/agencies or arts groups?
- d. Any other connections or affiliations that could be helpful?
- e. Do you know any local elected officials?
- f. Identify Board Prospects  
(review list of focus areas)

**2. Board Engagement/Fundraising**

- a. Fundraising Comfort Level  
(on a scale of 1 to 5 with 5 being a high level of comfort)
- b. How many Donors/Prospects New Members will you contact?
- c. Jazz Brunch Commitment
  1. Join the Host Committee? # \_\_\_\_\_ @ \$ \_\_\_\_\_ each
  2. Buy regular tickets? # \_\_\_\_\_ @ \$ \_\_\_\_\_ each
  3. Can your company take a table? (\$\_\_\_\_/\$\_\_\_\_/\$\_\_\_\_)
  4. Set a goal to recruit guests
  5. Any new connections for auction prizes?

**3. Your Commitments**

- a. Pledge Annual Board Dues \$ \_\_\_\_\_
- b. How can you help the board meet its goal of raising an additional \$ \_\_\_\_\_ in 2010-11?
- c. Sign Conflict of Interest Affirmation (bring a blank copy)

**4. Other/Miscellaneous**

## Board Responsibility

Knowledge Gaps (Please explain any gaps in your base of knowledge about Art Reach.) What do you need to know to become a better board member?

Signature: \_\_\_\_\_

Date: \_\_\_\_\_ ■

## Tips From The Trenches

### Don't put off making the ask

In *Fundraising When Money Is Tight*, Mal Warwick suggests that possibly the biggest mistake a fundraiser can make is postponing the ask due to factors like a difficult economy. It's a tip that can help your board members.

"Never forget that a request for funds for your cause is an opportunity for your donors to validate their cherished values and beliefs. Ask! Your donors are grown-ups. If they can't give at this time, you'll find out soon enough."

For information, [www.jossey-bass.com](http://www.jossey-bass.com). ■

### Keep this list of board relationship strategies handy

Consider using some of these ideas to brighten up your relationship with the board.

- Hold a study session before each board meeting.
- Ask at every meeting what you have done well or poorly since the last meeting.
- Put a policy-oriented item on each board agenda to remind the board of its role.
- Review *Board & Administrator* at each board meeting.
- To keep the board and your managers engaged, put programmatic information on each meeting agenda.
- Show appreciation.
- Be transparent in all that you do.
- Provide adequate background information to guide the decision-making process.
- Use a consent agenda.
- Make use of constant individual contact with board members. ■

### Define "Operating Principles" and give them a regular review

Teaching roles and responsibilities to volunteer board members is never an easy task. One way to help your message sink in is to define them in writing.

Sit down with your board and determine how

the group wants the board/administrator relationship to work. Put your commitments down in writing. When issues arise, you'll have operating principles to refer to and help analyze the issue so that the board can stay focused on its role.

Then, twice each year, discuss with your board how the board and administrator team are doing. Your appraisal is a good time to have one of these discussions. ■

### Tips for getting that important grant proposal written

Proposalwriter.com offers these suggestions for getting grant proposals in on time.

- Make a schedule and stick to it!
- Work backwards from the proposal due date.
- Make a separate schedule for preparation of the cost/business proposal.
- Make sure you leave plenty of time for copying, binding, and delivering the proposal. Remember, the copier knows that an important document is being copied, so it will break, jam or smudge.
- Have a back-up plan that includes having extra paper and toner on hand and sending the proposal out to be copied.
- Distribute the schedule to all members of your proposal team.

For information, [www.proposalwriter.com/pointers.html](http://www.proposalwriter.com/pointers.html). ■

### Remember two tips for explaining finances to stakeholders

Keep things simple and varied when you try to clarify your organization's finances to supporters and the community.

- Speak plain English. Try to avoid jargon. Use language that anyone who isn't a nonprofit insider can easily understand.
- Use a variety of communication tools. Use your website or a blog to communicate the status of your organization's financial situation. ■

# Understand Millennials to get the most from their service

Maya Enista, CEO of *Moblize.org*, said that if you want to welcome younger board members to your board, it's important to understand what they want from their volunteer service. She offers these insights:

**1. Listening.** "Ask your younger constituents how they would like to be involved," said Enista. You have to match your needs with their interests, she said, so take the time to find out what they are.

It's also important to avoid relating to your younger board members by telling stories of days gone by, such as "When I was your age..." Enista said.

"You don't want to dismiss their experiences," Enista said. That's a message that should be conveyed to board members, she said.

**2. Respecting them.** "Millennials need to feel they are more valuable to your organization than just the person who can set up a Facebook page for you," Enista said. "Don't assume that's all they can do." Show respect by:

- Providing them with opportunities to lead
- Being clear about your expectations
- Recognizing their contributions
- Preventing them from feeling like a token

**3. Giving of yourself.** Explain how you got to your position, Enista said. "Tell of your mistakes and failures," she said. "You never know who you are mentoring."

How do you measure the success of adding a Millennial to your board? Enista said you know you have been successful when one young person on your board begins to attract others to your events.

Enista suggested these resources for finding Millennials interested in board service:

- *Youthonboard.org*
- Young Nonprofit Professionals Network, <http://ynpn.org>
- National Conference on Citizenship, [www.ncoc.net](http://www.ncoc.net) ■

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