

Fundamentals of Good Governance

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Welcome to the leadership team. The purpose of the board is to govern the organization. To familiarize you with governance I have dissected it into five high-level areas.

Board discussions should be visionary and directors are considered as thought-leaders¹. It is not about personal gain but rather advancing the statement of purpose to benefit our community. Discussions that drift into management, administration and committee work are discouraged. If the board will set a clear direction --- the professional staff and committees will work towards that objective.

Elements of Governance

A. **Mission Focused** – The mission will frame nearly every decision of the board. Be sure it is clear and understood by all audiences. Keep it in front of the board; memorize it. In discussions ask, “How does this advance our mission and vision?” Maintain focus on advancing the mission rather than the distractions of politics and crises.

B. **Culture of Trust** – Little will be achieved without trust amongst the leadership and staff. Trust on a board is built upon *accountability*, *transparency* and *integrity*. As board members transition it is critical to include and respect all of the parties (board, committees, CEO, staff) as quickly as possible.

C. **Board – CEO Partnership** – It takes a balanced partnership to advance the mission and goals. The board focuses on *governance* while staff does the *management*. Directors should respect boundaries by avoiding delving into



¹ One whose views are taken to be authoritative and influential based on a global and environmental perspectives.

administrative and personnel issues.

- D. **Strategic Plan** – The road map is the strategic plan. It communicates goals and priorities for multiple years. It guides the leaders, committees and staff. It should answer, “How does our organization deliver value?”
- E. **Access to Information** – It would be difficult to govern without access to information. It begins with on-boarding of new directors and continues with reliable lines of communication. No director should feel left out of the loop.

Suggested Approaches

With an understanding the essentials of good governance, consider these recommendations within the area:

Board - CEO Partnership

1. Agree upon and recognize the distinctive roles and responsibilities.
2. Respect the body of knowledge and demands of respective jobs.
3. Be transparent in actions and decisions.

Access to Information

1. Governing documents guide the board; be very familiar.
2. Prepare for meetings by reading the materials.
3. Respect confidentiality of discussions and documents.

Strategic Plan

1. Frequently ask, “How does this action advance our strategic plan?”
2. Be intimate with the goals, able to communicate them to stakeholders.
3. Maintain a commitment to the plan.

Culture of Trust

1. Integrate the organizational into decision making.
2. If discussions are difficult, reference the values.
3. Share the values with stakeholders to improve understanding.

Mission Focused

1. Periodically review and update the mission statement, as needed.
2. Promote the mission as often as possible; it distinguishes the organization.
3. Supplement the mission with vision and values statements.

Note: Bob Harris, CAE, provides free governance tips and templates at www.nonprofitcenter.com.