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New on the Board? Ask Questions

Bob Harris, CAE

Joining a board of directors is an exciting experience. It is an opportunity to lead and to serve, a chance to advance a mission or cause. But directors with minimal experience in governing often don't know what to ask.

A common refrain among new directors is, "I won't say anything for a few months until I feel comfortable." However, once installed all directors are expected to be fully engaged.

Beware of Groupthink

The newest directors might be inclined to follow the will of the group. The practice of thinking or making decisions as a group in a way that discourages creativity or individual responsibility is known as groupthink.

Be alert to someone seeming to have influence who proposes an idea and the rest of the board follows their lead, without critically listening and asking questions. Don't feel intimidated.

New directors may appear shy or just don't know how forceful to be when it comes to inquiries. Don't be appeased with answers without analyzing the response and information.

Learning Examples

Here are some examples of board traps and how they might be addressed by a new director.

Governing Documents – New directors need to know the processes described in the governing documents. If a director asks for access to documents and is told, "You'll find it all on our website," they might ask a follow up question. "Will we be receiving a leadership manual?"

Be sure a board sharing site is well organized and user-friendly. It is difficult to understand roles and responsibilities if the information is not accessible in an organized format. Be leery of the directive to "go find it on the website" when it is poorly organized or cluttered with years of minutes and reports.

Budget – The board is responsible for protecting and expending resources wisely. Directors should have access to the approved budget (or ask why it doesn't exist.)

Don't be shy about questioning. "Why does the budget project a loss?" and "It seems some of our programs are not listed in the budget, are they missing?" Similarly inquire about assets of the organization. Directors need to critically question aspects such as the amount of savings, return on investment for programs, and safeguards in place for finances.

Policies – "We do it that way because there was a policy written about 15 years ago." Be careful about accepting blanket statements. Counter with, "do we have a policy manual?" and "Could I have a copy of that policy?"

Most organizations have from 25 to 75 policies representing the wisdom of prior boards. A policy manual is one of the guiding documents that directors should familiarize themselves and follow. Be cautious with statements like, "We passed that years ago – you can probably find it in the meeting minutes."

Disclosures – An association may have existing agreements. They take the form of memorandums of understanding (MOU), contracts and leases, for example. A new director should feel confident in asking about such agreements --- while protecting confidentiality on the board.

An example would be an agreement between a parent and sibling organization. Typically the parent prescribes aspects such as use of a logo, links on websites, and some collaborative standards. It is better to read and understand such documents than to make decisions that are contrary to existing agreements. Directors may go so far as to ask if there are any outstanding debts, restricted funds or pending lawsuits.

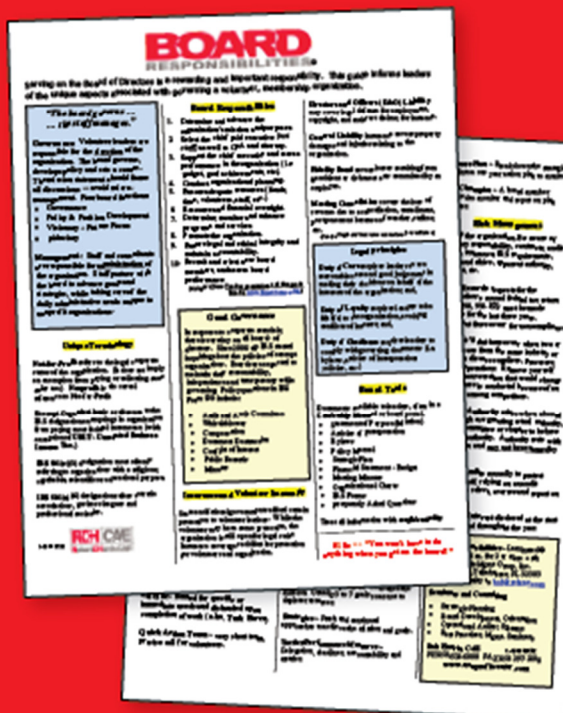
In summary, directors should ask questions that improve understanding and discussions. Listen closely to statements made by others.

Be leery of, "We've always done it that way," "I don't think it's against the law," and "It's been our practice for years but we don't have a written policy." Directors should use their business and leadership skills.

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

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