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Govern More, Manage Less

The board settled in for a productive meeting. The agenda listed several significant items including the approaching legislative session, a fund raising campaign, and selecting the site for the 2018 conference.

The initial 60 minutes entailed listening to a dozen committee reports which actually took an hour and a half. Then came the first item requiring a motion --- selection of the 2018 convention city and hotel. The convention committee was thorough in its recommendation: "To contract with [XYZ] Hotel and Conference Center." They explained it is the only venue large enough to accommodate growing attendance and trade show booths.

The agenda allotted 15 minutes for convention discussion. The first director offered thanks to the committee and made a motion to accept. At that point a director said, "I just have a question, do you know if I will receive hotel loyalty points if I book a suite?"

That conversation took 20 minutes. Another director commented that he thought last year's convention registration desk was understaffed and asked what could we do about it?

Fifteen minutes grew into an hour (even though the committee report was excellent and had been provided in *advance*.) Finally the recommendation was accepted by a motion of the board.

The board slipped from governance to management when they began asking about the loyalty points and staffing.

Governance

Governance is defined as the board making decisions on behalf of members or stakeholders. Note that the definition does not include *management discussions*.

The board is guided by the governing documents, including bylaws, articles and policies. The mission and strategic plan should frame nearly every discussion.



**BOARDS GOVERN
STAFF MANAGE**

Though conversations about staffing, office practices, and the banquet menu may be interesting, it is not governance. Management discussions doing committee work distracts from an agenda crafted on priorities.

Micro-Management

It is easy to slip from governance to management. However, management is the role of staff; governance is the role of the board of directors.

Directors should avoid the temptation to manage. Ironically, nearly everyone on the board has management experience and there is a natural temptation to go there. Fewer directors have been oriented to their governance roles. Micro-management would be considered interference.

To check on meaningful outcomes of board meetings, read a recent set of minutes: Do they reference initiatives advancing the mission or a listing of reports and updates?

Balanced Partnership

It requires a partnership of governance and management to advance the mission. Staff is charged with the day to day operations and administrative details. The board is responsible for advancing the mission and protecting the resources.

The IRS defines the roles of staff as implementing the decisions of the board. Let the staff do their work in accordance with job descriptions, policies and procedures. They should not be second guessed by the board.

Directors should refrain from commenting on staff performance. Asking a staff member if they are happy with their job and how long they plan to stay with the organization could be inferred that the director is suggesting they leave or are dissatisfied with performance.

Verify and Trust

Directors do have responsibility for oversight of the organization. This is best accomplished by hiring the right staff, relying on policies, and safeguards in place to protect assets.

There will be times when directors have questions. Although a deep dive at a board meeting into management is a dangerous road.

“Trust, but verify.”
-Reagan

Good board members should practice the concept suggested by President Ronald Reagan in his dealings with the Soviet Union, to “trust, but verify.”

For example, a director might ask, “Is the board covered by directors and officers insurance?” Staff will provide an answer like, “yes, we have a \$2 million policy.” If a director wants more information, ask for it after the meeting through proper channels of communication. The temptation to follow up with questions at the board meeting about the cost and seller of the insurance will distract from governance.

Govern More, Manage Less

A high performing board stays focused on governance. Delving into management at the board table will derail the more substantive discussions and desired outcomes.

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