



Governance and Board Health: Strategic Board Recruitment and Succession Planning

Appoquinimink Library, Middletown DE

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Thank you to our Accelerator Partner



U.S. Small Business
Administration

Today's Agenda

10:30 – 11:15	Introductions/Group Activity
11:15 – 12:00	Building the Board Strategically (PowerPoint)
12:00 – 12:30	Lunch - Identifying Current Board Parameters
12:30 – 1:15	Creating a Board Recruitment Timeline
1:15 – 2:00	Identifying What You Need
2:00 – 2:15	Break
2:15 – 3:00	Assessing Who You Have
3:00 – 3:45	Identifying Who You Want and Why
3:45 – 4:15	Planning and Making the Ask
4:15 – 4:30	Next Steps/Wrap Up Activity



Introduction/Group Activity



Building the Board Strategically

Culture of High Performing Boards

- Clarity about Legal and Ethical Board Roles and Responsibility
- Intentionality about the structure of board processes and policies and structure and content of meetings
- Clarity about Board vs. Chief Executive and staff roles and responsibilities and boundaries
- Established plans for board recruitment and leadership succession/continuity**
- Set annual performance goals for the board, executive, committees, and organization are in place
- Evaluates to Improve
 - Reviews Board Performance at least every two years to understand board members' perception of effectiveness
 - Actively monitors organization's financial health and manages risks
 - Evaluates Chief Executive annually using shared goals with measurable outcomes
 - Evaluates program effectiveness using shared measurable outcomes

Each Nonprofit Board is Unique

- By Laws
- Development Cycle
- Organizational Culture
- Composition
- Leadership
- Resource Needs



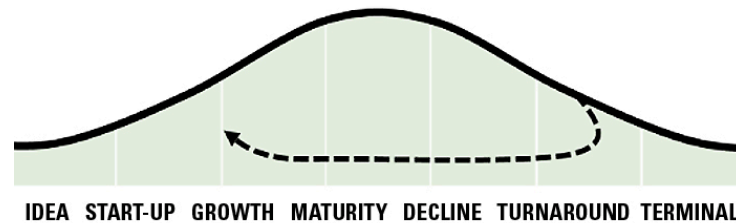
Bylaws - the Board's "Rulebook" for Decision Making

- Purpose of the Organization
- Membership
- How decisions are made & who has authority to make them
- Indemnification
- Composition & Conduct of the Board
- Terms and Term Limits
- Meeting timing (regular, annual and special or emergency)
- Committee Structure (Standing vs Ad Hoc, Charter)

Dynamics of Nonprofit Governance

The issues, needs and challenges in an organization change and reflect its stage of development.

THE NONPROFIT LIFECYCLE



Consequently, the role of the Board – *and the practice of governance* – must adapt as well.

Working and Governance Boards

Working

- Small to Medium Organization
- No Staff or Small Staff
- Responsible for Fiduciary and Strategic Oversight AND Implementing Strategy and Operational Activities
- “More” Time Commitment

Governance

- Medium to Large Organization
- Medium to Large staff
- Responsible for Fiduciary and Strategic Oversight
- “Less” Time Commitment

How Do Values Show Up in Governance?

- Lifecycle of board and organization
- Board member expectations
 - For example, when do you hold your meetings?
- By laws
- Composition of the board
- Decision-making processes
- Board policies and procedures
- Whether there is paid staff
- Regulatory environment
- Board assessments and focus on improved performance
- Future (proactive) vs Right Now (reactive) orientation



Share Expectations Before Election



Board Composition



- Size
- Diversity
- Term Limits
- Recruitment and Selection
- Training and Orientation

“A board should be big enough to get everything done and small enough so that no one seems extraneous.”

Board Profile Considerations

- Demographic?
- Location?
- Skills?
- Industry?
- Background?
- Network?



Sustain Leadership Continuity

- Board Leadership
 - Officers
 - Committee Chairs
- Shared Leadership
 - CEO & Board Chair
 - CEO & Committee Chairs
 - CEO & Full Board
- Staff roles in relation to Board roles

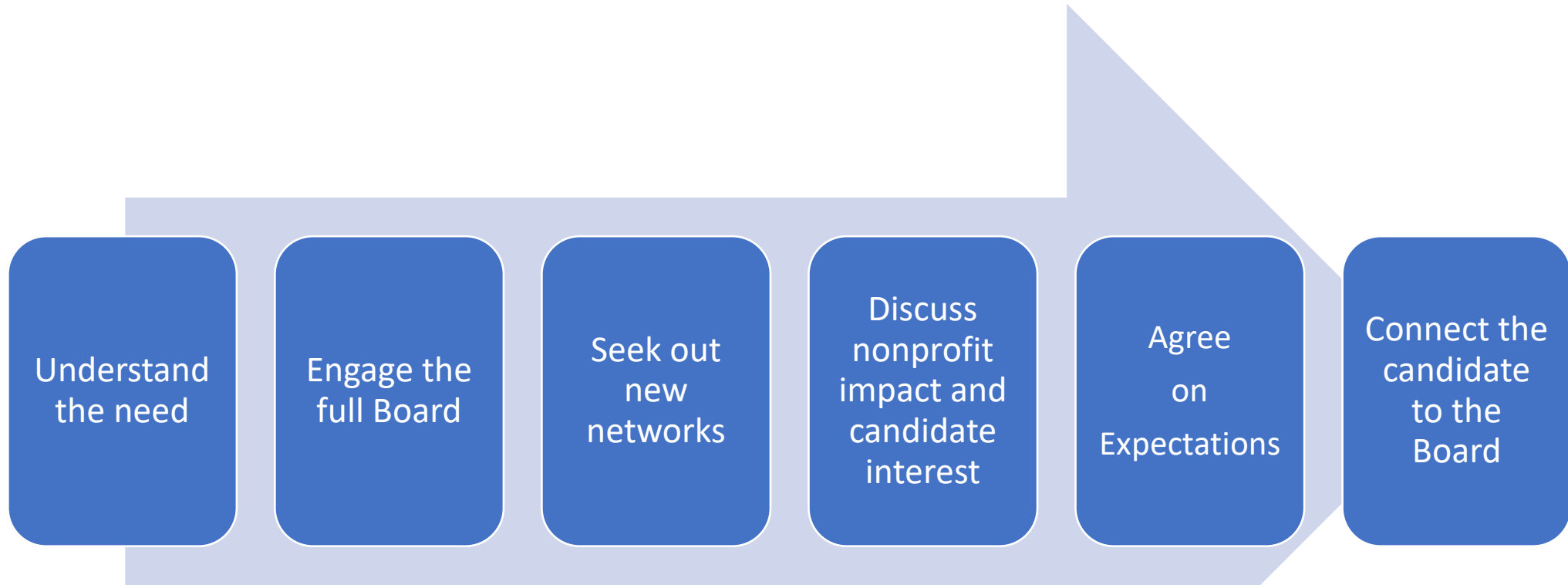


Succession Planning

- Plan for Leader transition – unexpected and expected
- Identify process for selecting successor
- Determine who is responsible
- Development opportunities before transition
- Onboarding for success



Board Member Recruiting Process





Lunch Identifying Board Parameters

Activity Instructions

- Go to your Info Hub to access the Board Parameters Form and access the Sample By Laws if needed.
- Complete the form using your organization's By Laws or the Sample By Laws provided.

A group of diverse professionals, including men and women of various ethnicities, are gathered around a round table in a meeting room. They are looking at and pointing to documents and charts on the table, appearing to be in a collaborative discussion. The room has a modern, open-plan design with white railings visible in the background. The entire image is overlaid with a light blue tint.

Creating a Board Recruitment Timeline

Activity Instructions

- Go to your Info Hub to access Board Recruitment and Election Timeline.
- Complete the plan by:
 - Listing the activities that need to be done to identify, vet, recruit, present, and elect new Board members and officers.
 - Identify who is/should be responsible for each activity.
 - Identify the month(s) in which the activities need to be ongoing/completed by shading the month(s).

A group of diverse professionals, including men and women of various ethnicities, are gathered around a round table in a modern office setting. They are looking at and pointing to various documents, charts, and graphs spread out on the table. The background shows a staircase with a white railing. The entire image has a light blue overlay.

Assessing Who You Have

Activity Instructions

- Go to your Info Hub to access DANA Board Matrix.
- Complete the form using your organization's Board Matrix or the DANA Board Matrix.
- If you have Board Member Bios, consult them as a reference.



Identifying What You Need

Board Composition

▶ What Do We Need

- What do we want our board to make possible?
- What work do we need to do to make this happen?
- What skills are required?
- What perspectives are needed?

Activity Instructions

- Go to Your Info Hub to access the Priorities and Current and Future Needs List.
- Reference your organization's Strategic Plan /Framework to identify organizational priorities for the next 3-5 years and list them.
- Refer to the Board Matrix to identify what you already have to meet the needs.
- Identify what your Board still needs or will need based on your priorities. Make sure to pay attention to Board/Officer terms to identify what leadership you will/might lose in the course of the plan.
- Complete the table in the Priorities and Current and Future Needs using your information.



Break

A group of diverse business professionals, including men and women of various ethnicities, are gathered around a round table in a modern office environment. They are focused on reviewing documents and charts spread across the table. The background shows a staircase with a white railing, suggesting a multi-level office building. The entire scene is overlaid with a light blue tint.

Identifying What You Want and Where You Can Find Them

Activity Instructions

- Go to Info Hub to access Sources for New Board Members.
- Complete the table by identifying
 - Potential sources for new board members
 - Who might be able to help you access that source
 - A particular person, if you have someone in mind
 - What characteristics make them a good potential Board member (skills/expertise, demographics, location, leadership experience, etc.)
 - When you think you need this person to be on the board.

Really stretch to identify new sources. Don't rely only on your current sources.



Planning For and Making the Ask

Vetting, Recruiting, Asking

- Selecting a new Board member should be looked at in the same way as hiring a new employee.
- It is an intentional process. You want to make sure that they are a good fit for your organization and visa versa.
- The process should take place over the course of a few conversations.
- You should collect similar information to what you collect from potential employees – a resume (including identifying other organizations on which they have served on the Board or volunteered for) and references.

Vetting, Recruiting, Asking

- Identify the best person(s) to have an initial conversation with them to gauge interest.
 - I am...the...from...
 - We are considering potential new Board members
 - Your name was mentioned because...
 - Would you have an interest in being considered for our Board
 - If yes, would you be willing to provide us with a resume for our committee to review.
 - Next Steps

DO NOT imply that it is a done deal

Vetting, Recruiting, Asking

- Once you have a list of potential new board members for a cycle who are interested:
 - Review the resumes to confirm they have the characteristics you want.
 - Schedule another meeting to have a more in-depth conversation about board service
 - Board Expectations (meeting frequency and times, fundraising expectations...
 - Mission, vision, values
 - Past, current, and future impact
 - Strategy for the coming years
 - More about why you want them to join the Board, potential committee assignment(s).
 - Decision-making/Election process and timeline
 - Board orientation process
 - Ask if they would allow you to contact references
 - Next steps

Vetting, Recruiting, Asking, Electing

- Once you have had the 2nd conversation...
 - Assign responsibility for each candidate
 - Contact references
 - Create a profile on each finalist
 - Compare the profile and information you have collected with what you are looking for
 - Determine the final candidates you want to present to the Board for consideration
- Provide Board members with the profiles in advance of the meeting
 - This should be done at the Board meeting prior to the election
 - Board members are given an opportunity to ask questions about the candidates during the meeting.

Vetting, Recruiting, Asking, Electing

- Once you have presented the profiles to the Board and collected feedback
 - Assign responsibility for following up with any questions
 - Revise the profiles as needed to include additional information
 - Create the Slate of Candidates for the Board to approve
- Provide Board members with the revised profiles in advance of the meeting
 - Board members are given an opportunity to ask additional questions about the candidates if there are any
 - Board members vote to elect the new Board members based on the By Laws
 - They may be voted on one at a time or as a slate

Vetting, Recruiting, Asking, Electing

Board Connections – a board matching service, free to DANA members, where you can list your organization's board opening and look for matches with individuals interested in serving on the nonprofit Boards.

Talk to Dan!

Activity Instructions

- Choose one of the individuals you are considering to invite to join your Board
- Create the script you would use for the first conversation gauging interest.
- If you have time, create an outline for the 2nd conversation you would have with this person. Major outline headings could include:
 - Mission, vision, values
 - Past, current, and future impact
 - Strategy for the coming years
 - More about why you want them to join the Board, potential committee assignment(s).
 - Board Expectations (meeting frequency and times, fundraising expectations...
 - Decision-making/Election process and timeline
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 - Next steps



Next Steps/Wrap Up

Activity Instructions

- Take 5 minutes to identify the next steps you will take to establish/improve your Board Recruitment and Succession Planning process.
- Email them to me (esissell@delawarenonprofit.org) and Dan (ddavis@delawarenonprofit.org)
- We'll share them with each other before we wrap up.



Questions and Key Take Aways



Thank you

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