by Atul Tandon

Thinkstock / Stockbyte

BOARDS THAT EXCEL

A fresh take on how your board of directors can most effectively serve your mission

Peter Drucker, the father of modern management, once wrote, "There is one thing all boards have in common, regardless of their legal position. They do not function." While Drucker's statement might be a little too cut-and-dried, the following probably is true: Behind a social service enterprise that is foundering or, worse, disintegrating, it's likely the board has spiraled into dysfunction. However, the opposite is true as well: A well-functioning and engaged board of directors is an integral element of any successful not-for-profit organization.

High Standards

For Christian organizations, including gospel rescue missions, the characteristics of a successful board of directors are high—as they should be. In fact, these standards apply even for those not involved with faith-based charities, and represent universal truths for any effective board. While the following verses aren't usually associated with boards, the reality is that the characteristics listed do represent universal attributes for any effective and rewarding enterprise.

"But the fruit of the Spirit is love, joy, peace, forbearance, kindness, goodness, faithfulness, gentleness and self-control. Against such things there is no law" (Galatians 5:22–23 NIV).

Are these characteristics, commonly referred to as the "fruits of the Spirit," too lofty to attain? Absolutely not, as long as board members and the mission's CEO place the ministry and its mission above their own interests. We'll break down some of these characteristics in a moment.

Thinkstock / iStock

Potential members must come into the boardroom with a servant's heart, tempered with discernment toward real world sensibilities regarding programmatic excellence, financial accountability, and business integrity.

Board members must be guided by their commitment to the mission of the organization and a desire to engage others in that mission.

The Governance Standards of the Evangelical Council for Financial Accountability (ECFA) provide valuable guidance: "The importance of an active, informed governing body cannot be overemphasized. Left unchecked, even minor board neglect can eventually intrude upon the accountability and effectiveness of the ministry. In contrast, the active, informed board will hold to the mission, protect the integrity of ministry objectives, and ensure consistent adherence to board policies."

Prospective board members should not be seeking to enhance their résumés by seeking out—or accepting an invitation to join—a nonprofit board. There's a strong likelihood their true motivations will surface, especially when board members are faced with challenging or contentious issues affecting the mission.

Rather, potential members must come into the boardroom with a servant's heart, tempered with discernment toward real world sensibilities regarding programmatic excellence, financial accountability, and business integrity.

ECFA's President, Dan Busby, ▶

12 Principles of Governance That Power Exceptional Boards

Exceptional boards add significant value to their organizations, making a discernible difference in their advance on mission. Good governance requires a board to balance its role as an oversight body with its role as a force supporting the organization.

The difference between responsible and exceptional boards lies in thoughtfulness and intentionality, action and engagement, knowledge and communication. The following principles provide a description of an empowered board that is a strategic asset:

1. **Constructive partnership.** Exceptional boards govern in constructive partnership with the CEO, recognizing that the effectiveness of the board and CEO are interdependent. They build this partnership through trust, candor, respect, and honest communication.

2. **Mission driven.** Exceptional boards shape and uphold the mission, articulate a compelling vision, and ensure the congruence between decisions and core values. They treat questions of mission, vision, and core values not as exercises to be done once, but as statements of crucial importance to be drilled down and folded into deliberations.

3. **Strategic thinking.** Exceptional boards allocate time to what matters most and continuously engage in strategic thinking to hone the organization's direction. They not only align agendas and goals with strategic priorities, but also use them for assessing the CEO, driving meeting agendas, and shaping board recruitment.

4. **Culture of inquiry.** Exceptional boards institutionalize a culture of inquiry, mutual respect, and constructive debate that leads to sound and shared decision-making. They seek more information, question assumptions, and challenge conclusions so that they can advocate for solutions based on analysis.

5. **Independent-mindedness.** Exceptional boards are independent-minded. They apply rigorous conflict-of-interest procedures, and their board members put the interests of the organization above all else when making decisions. They do not allow their votes to be unduly influenced by loyalty to the CEO or by seniority, position, or reputation of fellow board members, staff, or donors.

6. **Ethos of transparency.** Exceptional boards promote an ethos of transparency by ensuring that donors, stakeholders, and interested members of the public have access to appropriate and accurate information regarding finances, operations, and results. They also extend transparency internally, ensuring that every board member has equal access to relevant materials when making decisions.

7. **Compliance with integrity.** Exceptional boards promote strong ethical values and disciplined compliance by establishing appropriate mechanisms for active oversight. They use these mechanisms, such as independent audits, to ensure accountability and sufficient controls; to deepen their understanding of the organization; and to reduce the risk of waste, fraud, and abuse.

8. **Sustaining resources.** Exceptional boards link bold visions and ambitious plans to financial support, expertise, and networks of influence. Linking budgeting to strategic planning, they approve activities that can be realistically financed with existing or attainable resources, while ensuring that the organization has the infrastructure and internal capacity it needs.

9. **Results-oriented.** Exceptional boards are results-oriented. They measure the organization's progress toward mission and evaluate the performance of major programs and services. They gauge efficiency, effectiveness, and impact, while simultaneously assessing the quality of service delivery, integrating benchmarks against peers, and calculating return on investment.

10. **Intentional board practices**. Exceptional boards purposefully structure themselves to fulfill essential governance duties and to support organizational priorities. Making governance intentional, not incidental, exceptional boards invest in structures and practices that can be thoughtfully adapted to changing circumstances.

11. **Continuous learning.** Exceptional boards embrace the qualities of a continuous learning organization, evaluating their own performance and assessing the value they add to the organization. They embed learning opportunities into routine governance work and in activities outside of the boardroom.

12. **Revitalization.** Exceptional boards energize themselves through planned turnover, thoughtful recruitment, and inclusiveness. They see the correlation between mission, strategy, and board composition, and they understand the importance of fresh perspectives and the risks of closed groups. They revitalize themselves through diversity of experience and through continuous recruitment.

—***BoardSource.*** *Excerpted with permission from* The Source. *For more information or to order a copy, please visit www.boardsource.org.*

The CEO needs to recognize that his or her place is to collaborate with the board on defining and articulating the direction for the rescue mission, **and not dictate his or her own ideas or preferences for that direction.**

offers some insights into a high-functioning nonprofit board. "Board members are confident they are in step with God's design for the ministry, and receive strong fulfillment in their board service," Busby says. "The board functions in a harmonious, Spirit-filled manner and proactively focuses on organizational risks, including the loss of credibility and relevance."

The opposite, he says, can undermine a board's effectiveness—or worse.

"Dysfunction often starts with one problem board member, who can destroy a board's harmony and hold the ministry hostage and lead to a loss of grace and civility in the boardroom," Busby says. "If harmony doesn't exist between the board and CEO, both will be ineffective."

In my previous experience working at nonprofits and now at Tandon Institute, where I advise organizations, I've learned that the relationship between the CEO and the board of directors is crucial to the success of any nonprofit enterprise. Both must understand and adhere to their respective roles. And, while there are no clear and distinct boundaries, boards generally need to focus on the "ends" of the nonprofit—its vision, mission, values, and expected outcomes. At the same time, boards must hold the CEO accountable for results, leaving the CEO free to manage the enterprise's operations.

Gentleness and Self-Control

This leads us to our first two "fruits": gentleness and self-control. Board members frequently have specialized expertise in certain sectors, such as fundraising, communications, financial management, and operational or supply chain systems. Because of their professional background in these areas, they might have an interest in getting too deeply into the details of these or other functions, which ultimately, are the responsibility of the CEO and mission staff.

In turn, the CEO needs to recognize that his or her place is to collaborate with the board on defining and articulating the direction for the rescue mission, and not dictate his or her own ideas or preferences for that direction. Updates on program development, financial issues, and operations must be presented accurately by the CEO or other senior staff members and used by the board to inform strategic decisions, rather than serving as a catalyst for an extended debate on why a certain fundraising channel is falling short of its forecast.

"Boards should also recognize their limited knowledge of what's happening in the organization as they govern," says Linda Ranz, chair of the board of Seattle's Union Gospel Mission and the director of global e-commerce for Starbucks. "Boards show up a few times a year. Staff members show up every day. You have to trust that the leadership of the organization can make the right decision and do whatever can be done to bolster that ability. We should not think we are qualified to run the business, but hire the person who should and trust their wisdom. Boards should ask wise questions to probe and create opportunities for the CEO to be successful."

Forbearance and Love

Asking wise questions and trusting the CEO's wisdom are elements of forbearance, which dictionaries define as "tolerance and restraint in the face of provocation."

Like most nonprofits today, rescue missions are operating in challenging conditions: increasing demands for resources, temptations toward "mission creep" away from core beliefs and functions, and reputational ▶

10 Ways to Move Governance from Good to Great

1. A great board requires a board-oriented CEO. Great boards and their CEOs do not compete, but have separate, complementary roles and function as partners in a trust relationship.

2. A great board adopts a powerful mission which leads to changed lives, articulates the values and strategies to accomplish its mission, agrees on the major strategic goals, monitors progress, and makes difficult decisions in a timely fashion.

3. A great board selects a CEO who is equipped to advance the mission at this time. Then the board governs in ways that support, compensate, evaluate and, if necessary, terminate the CEO, always with the best interests of the organization in mind.

4. A great board elects a chair able and willing to manage the board to maintain the integrity of the structure and process, which the whole board has determined is best, leaving management to the chief executive who leads within board policies.

5. A great board defines the criteria for new members, then selects, orients, trains, evaluates, and rewards board service for those who collectively set board policies and, individually, give time, talent, and treasure as volunteers.

6. A great board welcomes CEO/staff input in formulating policies that the board adopts and documents in an organized, written Board Policies Manual of 15–20 pages, which is improved at every meeting as the board learns and adjusts.

7. A great board often organizes itself into committees or task forces that speak to the board (not *for* the board) and that do board-related work rather than supervise or advise staff on their administrative work.

8. A great board insists on great meetings that include good staff material in advance, time for fellowship and learning, and agendas focused on improving the Board Policies Manual. Oral reports are limited in order to allow at least half the meeting time for board dialogue on significant issues.

9. A great board insists on accountability through legal, financial, and program audits; observance of the law; declaration of conflicts of interest; assessment of results; self-evaluation of the board as a whole and of individual board members.

10. A great board is intentional in the pursuit of excellence. Members are forward-looking, always focusing on outcomes/results. They discipline themselves and they change. They recognize, appreciate, and enjoy the process of governance.

—**Robert C. Andringa** *is president emeritus of the Council for Christian Colleges & Universities and a retiring board consultant. Contact him at bobandringa@mac.com.*

Thinkstock / Photodisc

risks in a 24/7 environment of media and public scrutiny. Any one of these challenges weighs heavily on those with responsibility; all of them combined comprise a provocative environment for board meetings.

Ephesians 4:15 admonishes us to "speak the truth in love"; this is wise counsel for any board. Members of high-functioning and effective nonprofit boards engage and challenge the CEO and each other in discussing the relevant issues the organization is facing.

Discerning board members seek first to understand others' opinions before expressing their own viewpoints. They offer CEOs advice, not edicts or demands; encouragement, not unreasonable expectations. They know the man or woman in the corner office faces, at times, competing interests from key internal and external audiences. Board members who extend grace often gain in stature and influence.

"On high-functioning boards, God's blessing of the ministry is continually and easily observable," says Busby.

Of course, when board members don't function effectively, both the board and the organization are likely to suffer.

"When problem-makers on the board outnumber problem-solvers, failure to effectively deal with problem-makers will result in a downward spiral of board effectiveness," says Busby.

Faithfulness and Joy

How does a board avoid that downward spiral of effectiveness? When its members demonstrate faithfulness and joy.

Board members must recognize their responsibility to the mission of the organization they serve and place it as a high priority on their position. The board members of a rescue ▶

5 Ways to Engage Board Members at Every Meeting

On the drive home from your board meetings, you want every board member to reflect: "Was I needed at this meeting? Did others engage both my heart and my head—or do they have low or no expectations that I can add value?"

If your board meetings are long on talking heads (featuring boring CEO reports and excessively detailed financial reports) and short on energetic and engaged dialogue—then consider these five ways to facilitate lively value-added discussions:

1. **The first 45 minutes.** One of my board meeting rules of thumb is to ensure that every board member shares an insight in the first 45 minutes of the meeting. It's simple. Just write a thought-provoking question on a flip chart. (Example: "What are the three greatest threats to our future ministry?") Divide the board into groups of two—and start the clock (three to five minutes only). Ask each team of two to give a 60-second report. And…presto: every board member in the room has shared an opinion or insight.

2. **Stand and declare.** If two or three board members tend to do all the talking, call a timeout and do a "Stand and Declare." Ask everyone to stand up around the table. Then ask each person to share one insight on the agenda topic in 30 seconds or less. Go around the table, one at a time, and after a person speaks, he or she should be seated. In about five to seven minutes you've heard from everyone—not just the talkers.

3. **Straw vote cards.** At every meeting, provide green and red straw vote cards (green means "yes" and red means "no"). Any board member can ask for a straw vote at any time. Sometimes the loudest, longest-talking board member is the only one holding up a red card—and the instant feedback will help her see she's not convincing anyone!

4. **Stop and pray.** Are you facing a difficult fork-in-the-road decision? Stop and pray! While you likely pray at the beginning and end of your board meetings, it's not illegal to actually pray *during* the board meeting! To engage everyone, break into groups of two or three—so everyone can pray.

5. **Starbucks cards.** Provide your board chair with two or three Starbucks cards per meeting. Award board members for insightful questions and/or observations. After the first card is awarded, the energy level will be raised—as others vie for card-worthy input.

*—**John Pearson**, a board governance and management consultant, is the author of* Mastering the Management Buckets. *He also writes ECFA's blog on Christ-centered governance. Contact him at john@johnpearsonassociates.com.*

5 Ways to Inspire Board Members to Be "Trendspotters"

How do you stay on top of—even ahead of—relevant trends that will have a dramatic impact on your ministry?

According to the book, *Governance as Leadership: Reframing the Work of Nonprofit Boards,* the best boards encourage their members to practice "generative thinking." When you release your board members to engage in "sensible foolishness" (the authors' term), then finding and understanding trends will take on a rich, new meaning.

Leverage one or more of these five ways to turn your board members into trendspotters:

1. **Beloit College mindset list.** An entertaining way to interest your board in trendspotting is to facilitate an exercise with the *Beloit College Mindset List for the Class of 2017.* (The Class of 2018 list will be published in August.) Ask your board which of the 60 references, for those born in 1995, will have an impact on your ministry in the next five years. Example: "Rites of passage have more to do with having their own cell phone and Skype accounts than with getting a driver's license and car." Visit: http://www.beloit.edu/mindset/2017/.

2. **Trendspotting articles.** At a board retreat, invite each board member to bring photocopies of an article on a trend that will affect your ministry. Allocate five minutes for each presentation and five minutes for Q&A.

3. **S.W.O.T. the corners.** Set up a flip chart in each corner of the room and assign four groups to identify trends that will impact your strategic planning process. Use the acronym "S.W.O.T." to guide the four topics: Strengths, Weaknesses, Opportunities, Threats.

4. **Trending agendas.** Add a "10 Minutes for Trendspotting" segment to every board meeting. Ask your best facilitator on the board to keep the discussion short, crisp, and meaningful—using a variety of facilitation methods.

5. **Radar report.** Donald Rumsfeld writes, "It is possible to proceed perfectly logically from an inaccurate premise to an inaccurate and unfortunate conclusion." He says every strategic plan must include a step to "identify your key assumptions." So challenge your trendspotters to identify up to 10 assumptions that are the premises behind your ministry's strategy—and then attach relevant trends to those assumptions so your thinking is data-driven. And don't neglect trends and assumptions about the future of the church.

—*John Pearson*

Thinkstock / Fuse

mission must believe in the mission's cause. They should be faithful servants, valuing the privilege and honor of board membership, and do so with joyful hearts and discerning minds.

A recent article in the *Stanford Social Innovation Review* described how one nonprofit, Helen Keller International—which seeks to prevent blindness and malnutrition—endeavors to engage its board members. Directors are required to visit the organization's programs in Africa and Asia at least once every three years.

"They come back not only inspired and passionate about our mission, but also with a deep understanding of what is involved in executing on that mission," says Kathy Spahn, the organization's CEO. "HKI has in its organizational DNA a deep sense of mission and focus."

In my former positions with World Vision United States and United Way Worldwide, I've witnessed firsthand such inspiration and passion in board members who visit the organization's field programs. They arrive at the next board meeting early; they are more engaged and inspired than ever.

In a "good" way, they will interrupt PowerPoint presentations with probing questions of the CEO and staff in a manner that reflects the board members' newfound appreciation for the challenges of implementing the programs they've witnessed. They won't simply rubber-stamp the subsequent year's marketing strategy or nod off during a financial review.

Stop reading for a moment and ponder how your mission's board members can experience some time in the field of your organization's work. How would these experiences change the organizational DNA of your rescue mission?

These examples of faithfulness and joy are often complemented by the attitudes demonstrated by the board chair. This individual serves as the board's primary representative to the CEO. If the members are working closely and collaboratively—and if the CEO recognizes the appropriate, and sometimes deferential, role he or she plays to ▶

Stop reading for a moment and ponder how your mission's board members can experience some time in the field of your organization's work. **How would these experiences change the organizational DNA of your rescue mission?**

Thinkstock / Purestock

5 Ways Your Board Can Help Raise Money

1. **Make a significant financial gift at the beginning of the fiscal year.** This is not a call to action for board members to each make a gift of equal amounts, but rather for them to prayerfully consider making a significant gift as they would see fit through their own stewardship.
2. **Host at least one "vision casting" event a year at their home or place of business.** This is not an "ask" event, but rather a chance for new people to learn more about the ministry.
3. **Invite five friends to a vision casting event.** Vision casting events are a safe place (no asking for donations) for your board members to introduce friends to the work of your organization. These events should last about one hour and include a time of fellowship, a short presentation about your mission, and an opportunity for Q&A. Keep it short and simple. The primary objective is to relationally connect with other people who are interested in your work.
4. **Agree to thank 10 donors a quarter via written note, phone call, or personal meeting.** It's best to use these opportunities to thank donors for their gifts and tell them exactly what will happen (outcomes) because the gift was made. Include a picture of someone served or a quote from someone who was served in the past. Make it personal and real.
5. **Agree to report to 10 donors a quarter the amazing things that happened because the donor gave a gift.** This is typically accomplished via written note, phone call, personal meeting, or delivery of the mission newsletter. Most organizations tell their donors "how" their mission was fulfilled. Help your organization stand above the rest by using newsletters to share outcome-based stories of people who have been served by your organization. Show them the outcome!

*—**Jim Shapiro** has spent 20 years serving and working in the nonprofit sector. He is co-founder of The Better Fundraising Company and founder of The EDGE Group. Contact him at jim@betterfundraisingcompany.com.*

8 Board-CEO Relationship Essentials

1. **Hiring the executive director is Job One.** This is the board's most important decision. Take your time, pray hard, and do it right. Consider seeking professional counsel. It's wonderful to make a great hire.
2. **One employee.** Only the CEO should directly report to the board. This best practice keeps things simple and sensible for everyone.
3. **Job description.** Gain board and CEO agreement on expectations, and put them into a written job description. There is nothing like clarity in building a positive working relationship.
4. **CEO-board relationship.** You will want to work hard at this because it is so crucial. Use board policies in delegating and clarifying responsibilities and authority. This provides a good measure of freedom. Yet methods of reporting and accountability must follow. And while you want to be professional, be sure to value relationships in both the spiritual and professional dimensions.
5. **Annual goals.** Agreed-upon goals are powerful. Make them part of an annual CEO work plan as a way to create focus. They should also factor into the CEO's annual performance review.
6. **Personal development.** You will want to provide the time and money for personal and professional development of your CEO. Growth in both heart and mind should be a board commitment to a leader.
7. **Annual performance review.** This is essential for the board, CEO, and organization. In whatever method you use, make sure there is an advanced understanding of expectations, a thoughtful process, and conclusions that are placed in writing. Ensure a two-way dialogue so both the CEO and board will benefit from this exercise.
8. **Succession plans.** Even when there are no plans for a CEO departure, have an annual discussion about what you would do and who would take over various responsibilities should the CEO unexpectedly leave. Place this information in a confidential electronic file. And be sure those left behind know where the passwords are located.

*—**Dave Coleman** is a board consultant and author of* Board Essentials. *He lives in Tacoma, Washington. Contact him at davec@boardtrekconsulting.com*

Thinkstock / iStock

Board chairs must employ qualities of executive leadership, **while listening carefully to potentially divergent views among board members.**

the board's leadership—the board chair's job is easy. If not, challenges will certainly emerge.

Regardless, the board chair position is crucial to a board's success.

"The board chair is the key player in assuring that communication between the board and the CEO is effective and that the board and the CEO are moving the ministry forward together," says Busby. "Other than selecting the CEO, the choice of a board chair is the board's most important decision. Even in a board composed of effective members, only a few board members are generally qualified to serve as board chair."

Indeed, board chairs must employ qualities of executive leadership, while listening carefully to potentially divergent views among board members.

"The board chair is a referee in meetings, rarely imposing his view, but garnering the insights of the members," says Jerry White, past board chair of the Navigators and the Christian Leadership Alliance. "His work is to make sure the agenda fits what needs to be done and, when possible, to hear critical reports ahead of time. The chair should not be caught by surprise in a presentation."

Moreover, board chairs must be able to discern tension between the CEO and the board and resolve the issues driving that tension. They must identify weaknesses in CEOs and either help set a course to address those weaknesses or, in conjunction with other board members, begin the process of terminating the CEO and lead the selection process for a new one. ▶

5 Ways Board Members and CEOs Alienate Each Other

The relationship between CEOs and board members is delicate at best, and divisive at worst. And while we never intend to alienate each other, it can easily happen.

In serving on numerous boards, I've observed the best and worst of relationships. Here are five of the most common offenses:

1. **Neglect and ignore.** One party acts as if the other doesn't exist. We take each other for granted and nobody wins. ***Instead,*** remember, "All work and no play makes Jack a dull boy." Nourish healthy board/CEO relations by creating occasional social-only interactions where the CEO and board members can enjoy each other's company without a business agenda.

2. **Role swap.** Have you noticed it's easier to do the other person's job instead of your own? Boards often ask the CEO to do governance work, and focus their own activities on operations. ***Instead,*** reserve matters of governance for the board, saving everything else for the CEO.

3. **Power grab.** The "I'm-the-Boss Syndrome." The board's power is not vested in a person; it belongs to the collective. The CEO reports to the board, not the board chair. Therefore, the board chair should not take the CEO aside to direct his or her activities. ***Instead,*** all board business must be conducted "in broad daylight" (the boardroom) rather than "in the shadows" (one-on-one).

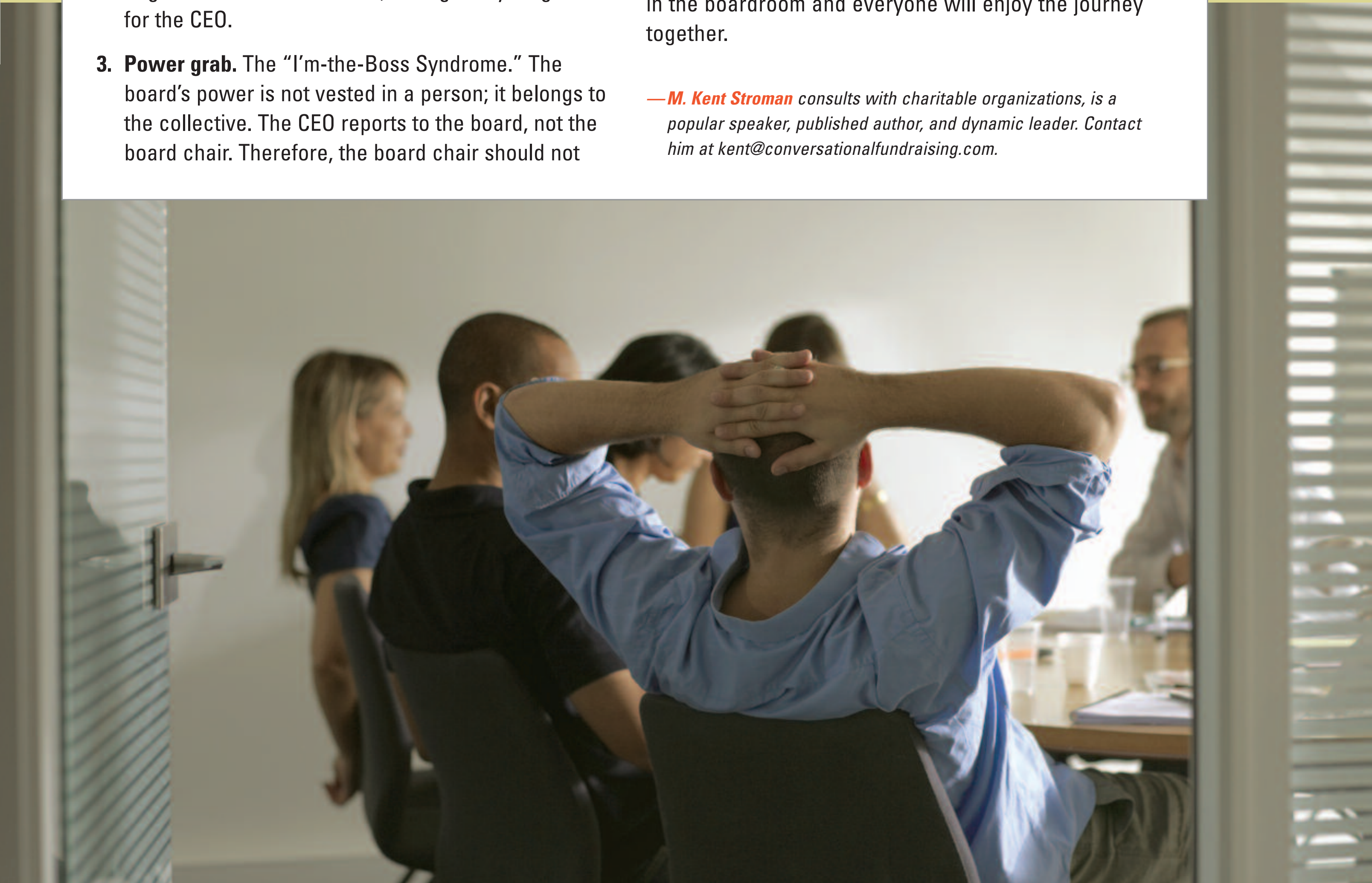
4. **Figurehead.** This occurs when the board or CEO wants the title, but not the work that accompanies it. A "Disengaged Dictator" shows up, takes the credit, throws around a few orders, and then vanishes into obscurity until the next meeting. ***Instead,*** create written job descriptions for board members and the CEO. Include well-defined roles and responsibilities as the basis for regular performance reviews (at least annually).

5. **Person versus policy.** The "All About *Me* Syndrome" occurs when everything is *personality* centered rather than focused on the *purpose.* ***Instead,*** always keep the main thing (mission) the main thing.

Make mutual commitments to model best practices in the boardroom and everyone will enjoy the journey together.

*—**M. Kent Stroman** consults with charitable organizations, is a popular speaker, published author, and dynamic leader. Contact him at kent@conversationalfundraising.com.*

Thinkstock / Photodisc



I've worked with board chairs who see their role as exciting and rewarding, as well as those who have been burdened by the daunting responsibilities and contention caused by conflicts between CEOs and board members. The former are individuals with a clear sense of the ministry's goals and great confidence in the CEO to lead the staff in accomplishing those goals. The latter are frustrated, perplexed by the inability to find consensus, and sometimes feel unable to identify a way forward.

Peace

So how can those board chairs—and their members—find peace, the last "fruit" we will look at?

One of the hallmarks of an effective board is knowing when it needs outside help. I've yet to work with a board whose members would rather walk away from the organization than stay with it and resolve differences. Most directors are committed to the rescue missions they serve, embrace the assistance their missions provide to others in need, and truly feel called to help provide leadership and direction.

Jenny Prinz, who also serves on the board of Seattle's Union Gospel Mission, offers some observations on this issue. "Boards need outside intervention to improve functioning when the board chair and CEO are not getting along, or if the organization is floundering, either programmatically or financially or both," she says.

And what are some of the indicators to watch for? "When board

25 Practices that Failing Boards Do Well

In my dealings with the nonprofit board world (local, national, faith-based, secular) I've noticed several consistent themes that exist on most of the boards that are struggling today. Take a look at the following list and see if a dangerous number of these practices are present on your board. If so, it is probably time to call it out. Fix problems while you can before it is too late and you end up operating from a position of weakness.

1. No strategic plan in place.
2. Poor alignment between goals and resources, staffing, structure, budget, decision-making.
3. Infrequently monitoring financial results.
4. Relying on too few revenue sources and not nurturing new revenue streams.
5. Failing to continually recruit prospective candidates who would be a good strategic "fit" for your board.
6. Tolerating poor performance, lack of accountability, and weak governance on the board.
7. Micromanaging the CEO and staff.
8. Excessively focusing on "means" rather than "ends."
9. Failing to periodically make capacity-building investments.
10. Permitting complacency and entitlement to slip into the boardroom and organization.
11. Avoiding annual performance reviews and periodic organizational assessments.
12. Permitting the CEO or board chair's personality to become bigger than the mission.
13. Allowing personal agendas to trump approved goals and strategies.
14. Not seeking feedback on organizational performance from key partners and others.
15. Not using metrics to evaluate performance and improve impact.
16. Not having or enforcing term limits for board members.
17. Ignoring the 800-pound gorillas in the board room.
18. Not making the "tough calls" when they are needed.
19. Failing to invest in the professional growth of your key staff.
20. Taking volunteers for granted.
21. Not focusing on how effective your programs are.
22. Losing focus by permitting mission creep.
23. Settling for status quo.
24. Embracing a "not invented here" attitude.
25. Not celebrating successes, top performance, or when people go above and beyond.

*—**Tom Okarma** is the founder of Vantage Point Consulting and can be reached at: tom@npvantagepoint.com.*

members are giving directives to staff and/or intervening in staff issues, or when the board expects the CEO to carry the full load, or when boards do not take seriously the fiscal responsibility of the organization," Prinz says.

My experience serving on the boards of nonprofits has enabled me to work with a number of engaging, dedicated individuals. Their uncompromising commitment to the causes I believe in—serving the poor and helping victims of injustice—have inspired me and taken my career places I never could have believed possible. Like me, they are lifelong learners. They intend to leave a legacy of lasting impact, whether that impact is felt across town or across the world.

Speaking of lasting impact, Paul's reference to the fruits of the Spirit is followed in Galatians by words equally prophetic in regard to service on nonprofit boards: "Therefore, as we have the opportunity, let us do good to all people" (Ephesians 6:10).

An effective rescue mission board can help the mission's leaders and staff grab that opportunity and excel. ◀

Atul is founder and CEO of the Tandon Institute, which equips social sector organizations with strategies, solutions, and staffing to grow their impact, revenues, public awareness, and leadership effectiveness rapidly. He has served in leadership capacities at Citibank, World Vision, and United Way Worldwide. You can contact Atul at atandon @tandoninstiute.com.

Thinkstock / Photodisc

12 Questions Every Board Member Must Ask

Board governance guru Ram Charan doesn't waste words in his book *Owning Up: The 14 Questions Every Board Member Needs to Ask.* He writes, "The role of the board has unmistakably transitioned from passive governance to active leadership with a delicate balance of avoiding micromanaging. It's leadership as a group, not leadership by an appointed person." He adds, "With the right composition, a board can create value; with the wrong or inappropriate composition, it can easily destroy value."

Here are 12 of his questions that apply to nonprofits. Many have zinger qualities to them:

1. Is our board composition right for the challenge?
2. Are we addressing the risks that could send our company organization over the cliff?
3. Are we prepared to do our job well when a crisis erupts?
4. Are we well prepared to name our next CEO?
5. Does our board really own the organization's strategy?
6. How can we get the information we need to govern well?
7. How can our board get CEO compensation right?
8. Is our governance committee best of breed?
9. How do we get the most value out of our limited time?
10. How can executive sessions help the board own up?
11. How can our board self-evaluation improve our functioning and our output?
12. How do we stop micromanaging?

—John Pearson