

Episode 14: Why Have a Board?

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This is a transcript of Nancy Bacon, Sarah Brooks, and JoAnn Crabtree talking about fundraising on the Nonprofit Radio Show podcast. You can listen [here](#) or however you prefer to listen to podcasts.

Nancy Bacon

Hello, and welcome to the Nonprofit Radio Show a podcast with tips and tools for small nonprofits. If you feel in the dark about how to run a nonprofit, sunshine is on its way. I'm Nancy Bacon, and I'm joined by Sarah Brooks, and JoAnn Crabtree. This week, we are talking about the role of the board.

Sarah Brooks

I'm so glad we're talking about this. I've been thinking about it ever since I read a post by Joan Garry where she invited us to think about what would happen if our board went away. So why do we have boards?

JoAnn Crabtree

That's a great question, Sarah. There can be a lot of consternation between nonprofit board and staff. There's natural tension that many people on both board and staff feel.

Sarah

Right, and when you feel that tension, there tends to then become a lot of working around -- you work around the board as a staff member or the board tries to work around something the staff seems to want and that feeds an unhealthy environment.

Nancy

For sure. I've said in many trainings that these types of tensions occur a lot in nonprofits. And it's in that tension that we find our solutions. This post led us to think about the core purpose of

what a board is. And once we land on a solid place with that, we have a few more thoughts about boards and how to make them great.

Sarah

That's right, Nancy. And I think it's important to start though, with reminding ourselves that as a nonprofit organization, we're created from the community to serve our community. And the IRS actually gives us a special tax status, because we provide community benefit.

Nancy

That is so important to consider, you know, it is fantastic. If one individual or a set of individuals want to go about doing great work, we see that all the time, right, new groups are formed all the time to serve their community, there's nothing stopping them. The piece that bumps that service up into the nonprofit realm is that IRS stamp of approval, right. And that says that this is such a worthy project, that it can get tax exemption, that tax exemption of the organization. And for the people donating that means that there has to be a higher bar of scrutiny, that it has to be connected to the larger community in which it works, that it becomes an issue of public trust.

JoAnn

So, let's state clearly that a board is an important point of connection between the organization and the community. Your board members are your eyes, ears, and largely your faces in the community that you serve. What else follows from that?

Sarah

Well, we think three things follow from that. And we're going to dive into each one of them here in this podcast. First, we think it matters who is on your board. If the board is what connects the organization with the community, then that board needs to reflect the community and make sure it's hearing from the community. So, Nancy, how do we do that?

Nancy

I think that's a great question. You know, ultimately, a board exists to make good decisions, right? They're supposed to make these great decisions that steward the organization, that move the mission forward. So, what kind of people do you need to make good decisions? You need people who have that larger 10,000 foot view of your issue. You need people with connections, with skills, with talents that enrich what you're doing. So, thinking in terms of how do you get the best board possible, representing the community to make good decisions? You need a group of people that has credibility on your issue to make those decisions. So, another key idea in this decision-making role of the board is to make sure that the people you serve are also represented. People who have lived experience, people who know from their daily lives, what you are working on. Those folks also have to be represented on the board, again, so that you as a body, as a collective group of people with diverse skills and experiences can make good decisions.

Sarah

So, if point one is who's on your board matters, then I think our second point today is it's important for that body, that group, your board, to understand what their role is. When I think about their role--I know Nancy has often talked in trainings—I think about different hats board members wear. We think there are three hats that board members wear when they're functioning as that leader governance body. The first hat, I call the thinking cap. It's their strategy hat. It's the hat that's always looking out three to five years ahead. It's the hat where you're thinking, wow, if we make that decision today, what's it going to mean for this organization later, good or bad? It's the hat that you wear when you're looking out and seeing a need that's not being served. Can we help solve that problem? And it's the hat you wear when you think, hmm, organizationally, what do we need to sustain ourselves?

Nancy

I bet it's that hat that also sees potential partners and alliances out in the community.

Sarah

Absolutely. It's an important hat and board members need to have it at the ready to put on in every conversation. At the same time, you also need to make sure there are some board members who are wearing the money hat. And the fancy word that gets used all the time is that as a board member, you have a fiduciary responsibility. But really what that means is you have responsibility, in the public trust, to make sure that money is handled ethically, carefully and thoughtfully. That means you do need to understand the basics of the finances of your organization. You don't need to be a CPA, you don't need to have a degree in accounting. But you do need to ask good questions about where money's going. And where it's coming from. Every board needs people willing to wear that hat to make sure that that tax exemption that you've been given from our government is worthy of the public trust.

Nancy

What's the third hat?

Sarah

Ah, the third hat is the party hat. That's the hat you wear when you want to draw attention to your mission. It's the hat you wear when you want to talk to people about the awesome work the organization is doing. And it's the hat you wear, when you're making a connection with people in the community to find out what the community needs. The hat you put on when you want to feel confident and open to listening, and to sharing great stories from your organization. Being an ambassador is a really important part of being a board member.

Nancy

I love that. And I imagine what you're going to say is when you're not wearing a hat, you have taken off all those three hats and you have a bare head, you're a volunteer. You're a really important part of the mission, but you're no longer serving in the capacity of the board, you're serving as a volunteer.

Sarah

Right, and that's where the staff board connection, which is the third thing we want to talk about today can feel tense sometimes, because it can be hard to go from having three hats that take this long-term view and an external view, and suddenly take those hats off and just serve as the volunteer for your organization you serve. If you have staff--then to serve at the needs of your staff. It's a total flip flop of the role. And it's a place where a lot of tension sometimes comes in for organizations.

Nancy

Oh, absolutely. I think this staff board connection is so, so important. You know, I think both the staff and the board have different sets of knowledge. These different knowledges are critical to the future of the organization. So, you think that the staff has frontline knowledge of serving every day, they know in great detail what is going on with your mission and your programs and your activities and your clients. And on the other hand, you have your board who has that 10,000 foot view of the larger community, and that in order to be a learning community, you have to have both sets of knowledge at the table. I find it puzzling when I hear about Executive Directors who don't want staff at meetings. To be honest, we're all on the same team. Why would you not want both of those sets of knowledge there so that folks can make good decisions? Of course, I'm not saying one rule fits all. I've said at many board trainings that if a board member only knows something from one source, then how do they really know it? And by having that relationship with staff, they can really have a much deeper knowledge.

Sarah

You know, I'll admit, when I first started working in nonprofit organizations, a long time ago, I wondered all the time, why do we have a board? What is the point of all this? And now I work for an organization that has an extremely effective board. And I was reminded again and again and again at different agenda items, how valuable it is, as a staff member, to hear from 12 people from our community with different perspectives and different experiences, what they

asked about our work, how they respond to the items I'm bringing to them, it makes me so much more effective as a staff member at what I do. And in turn, I believe they feel like they can make better decisions, because I'm bringing things to them at a level of detail and knowledge that they don't get to have as a volunteer.

Nancy

I'm so glad you say that because I have been in positions where there have been junior staff who have really been eager to have that deeper knowledge about the nonprofit sector. And if they can't come to board meetings, how are we building out our nonprofit pathway?

Sarah

Absolutely. And honestly, I think as a staff member, it's really important to see board meetings in action. Because what you realize is that every single person who's volunteering on your board is doing so because they care about your mission. They're passionate. And maybe sometimes they make a directive that to you feels funny or like it's just going to be a lot of work. But when you realize it's coming from this place of wanting to help and sharing that same value, it becomes a much more powerful bond together and makes it easier to have the conversation about what is the right next step for us to take.

Nancy

It goes back to that original purpose of this conversation today, right? What is the role of the board and if you have that connection, it becomes obvious what the role of the board is, because you're feeding on that sense of connection. You know, our word of the day is clarity. And I think this is the exact time to highlight that notion of clarity, that clarity of role and purpose you need. Once you have figured out the role of the board, you have that higher level of clarity that allows you to leverage every asset you have to further your mission.

Sarah

Yes, when I saw that the word of the day today was clarity, I had to chuckle. I'm just old enough now where my close-up eyesight is failing me. And I have to have reading glasses all the time. And I keep losing them. And I've realized how important those two eye sights are to my functioning. Right, I need that long range vision in this case that I think a board provides. But I also do need to be able to read up close. And I think that's what the staff provides. And when you've got that working for you, when those bifocals actually are just totally working for you, you see clearly, and that's when an organization is functioning well.

I wanted to share a quick experience that I had just last night in our organization's board meeting. We had two program staff members attend our Zoom meeting, which I will admit for our organization is still a bit of a challenge to get the rhythm and the flow, right. But each of them prepared differently, but brilliantly, for getting what they needed from the board and for the board to feel like they could help make a good decision. One of our staff members prepared a wonderful presentation full of great pictures about the programs she's been working on since COVID-19 started. She put slides in between the photos with specific questions to the board saying this is what I need your help thinking about. It was a brilliant move by a staff member because immediately every board member understood how they could be helpful, which is what they want to do in a board meeting. The second staff member was presenting on some very, very complicated land transactions we're currently working on. And she could talk about them for three hours down to the last detail. But she was smart enough to realize that what she needed from the board was a different level of decision. And the way she prepared, interestingly enough, was to think in her mind about the decision she was asking the board to make. And then to ask me and others before the meeting, what kind of data would you want in order to be able to make that decision--not all the decisions I have to make as the project lead on this, but this board level decision, and then she narrowed down the scope of what she shared to just those key pieces so that the board could feel like they did have the knowledge and the information they needed to be those smart thinkers and make that strategic decision.

Nancy

What a great example.

JoAnn

So, our next steps are, take a step back from the tension between the staff and the board. Invite conversation about the role of the board as a body that ensures public trust. Look at the practice around your board, particularly related to the hats you wear, your volunteering, your recruitment, and your board staff partnership, to make sure that all that aligns with your values, beliefs and mission.

Nancy

You know, we nonprofit folks, we've got a lot of work to do. We really need all hands on deck. We need a board that connects our mission to the larger community, bringing ideas into our organizations. Ideas in our organizations are so important, right? And we need that connection. We need staff members who know what they are doing and the people they serve. We need each other. So, let's find the place. You've got this.

JoAnn

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