

Boards Wrestling with New Issues and Trends

by Peter Brinckerhoff

Members of nonprofit boards have many things to deal with in fulfilling their stewardship duties. They work on policy, oversee strategic planning, supervise the organization's chief staff person, plan and implement budgets, and help raise funds. And, to help them do this multifaceted job, much research has been published on best practices for boards. As a result, governance in general has improved over the past five years. Many boards are working hard to stick to policy, adopt term limits, diversify, and match their skills more closely to the needs of the nonprofit they govern.

In addition to attempting to adopt best practices in their governance, boards are also contending with some current trends and issues in the communities where they work, and in society as a whole. Here are four for you to consider.

Board members are harder to recruit and retain

In the United States, there were over 1.3 million charitable organizations on record in 2012. If each of these organizations has fifteen board members, then there are roughly 19.5 million board seats in the United States. With only 163 million adults between the ages of 25 and 75 in the 2010 United States census, this means that one in every eight American adults could be serving on a board, an inordinately high percentage.

In addition to pure numbers, more and more professionals are seriously constrained in terms of time available for community service. The person who might have been on two or three boards simultaneously ten years ago may now often focus on only one board. Potential board members are also more selective in deciding which organization's board to join. They understand that they are fiduciaries, and only join (or stay on with) those organizations that are run in a fiscally sound manner. Finally, the wide acceptance of term limits for board members as best practice has increased the pressure to recruit new board members regularly.

For your nonprofit, it is essential that your board development committee focus not only on *recruiting*, but also on *retaining* your high-performing board members. Just as with staff, recruitment, orientation and training of board members takes time and effort: it's an investment. You want to make sure your board members stay, and stay active, through their entire term.

Smaller boards

In general, the size of nonprofit boards has been shrinking. In part, this is a result of the trend noted above: it's harder to recruit and retain good board members. In addition, many boards had grown to a size that was unwieldy, and nonprofit experts began recommending downsizing in the mid-1990s.

At a glance

Nonprofit expert Peter Brinckerhoff identifies four new trends that boards should stay on top of:

- Increasing difficulty attracting and retaining board members
- Decreasing size of boards
- Shorter and fewer meetings
- "Virtual" attendance via phone or video conference link

The best boards will be developing policies to address these trends in ways that help the board continue to improve and govern.

Smaller boards are easier to manage, less expensive (to feed, reimburse for travel, etc.), and allow executive staff to spend less time on board management and more on direct service. On the other hand, a smaller board is much harder to diversify (in terms of geography, gender, ethnicity, and generation), provides less of a built-in network to the community, and can easily slide into groupthink. Finally, a smaller, smoothly running board can more easily be disrupted by one difficult member than can a larger one. Your board should consider the best size for the board whenever you review your organization's bylaws.

Shorter and fewer meetings

Historically, most boards met monthly. As a result of regular reviews of meetings, more difficulty in recruiting and retaining board members, better methods of communications between meetings, and more professional staffs, more and more nonprofits are looking at alternate meeting frequencies, as well as shorter meetings. It is no longer unusual to see organizations whose boards meet just six or eight times a year, or even only quarterly.

While this frequency of meetings can work well, less frequent than quarterly meetings pose special challenges in keeping the board fully engaged. However, when board members of a nonprofit that meets every month look down the street and see a similarly sized charity whose board meets every three months, they are understandably tempted to reduce meeting frequency. This is a great issue for your nonprofit's board development committee to consider every few years.

Electronic attendance policies

Most nonprofits have some mention in their bylaws about requirements for board attendance; sadly, few enforce these rules. Whether a board member is present or absent is an easy thing to evaluate, but technology and busy board members have raised a new issue: Does attendance at board meetings by phone or video conference link constitute being "present?" There are many issues here, including the cost and quality of conferencing equipment, bandwidth, and the tendency of all of us to "multitask" (read: not pay full attention to the meeting) when we're on a conference call. That said, many nonprofits are getting pressure from their business board members to allow for offsite attendance.

If your board has not considered this issue, it will inevitably be something your board development committee should consider in the next few years.

All nonprofit board members are interested in being the best possible stewards of their organization's resources and adopting best practices in governance. The best boards also look out for and work on new issues like those listed above.



Peter Brinckerhoff is an internationally acclaimed author, lecturer, and consultant on nonprofit management and governance. Parts of this article are taken from Peter's most recent book: *Smart Stewardship for Nonprofits: Making the Right Decision in Good Times and Bad*, published by John Wiley & Sons. You can learn more about Peter at his website: www.missionbased.com.

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1 South Wacker Drive Suite 2380
Chicago, IL 60606
800.526.4352
Fax: 312.930.0375

www.firstnonprofit.org