The Board's Annual Self-Assessment Survey
Options and Opportunities

Annual Self-Assessment for Your Board of Directions: Options

Note: the following suggestions on conducting a board self-assessment process are provided by John Pearson from memos and recommendations he has provided to clients over the years. Thus, it includes his personal notes and links to his reviews of various governance books and resources. While John recommends that the Board Self-Assessment Process be completed annually, many boards choose to do it less frequently (either by design or default!).

Attached are several options in three sections

SECTION	PROCESS	PAGES
❑ Section 1	Do-It-Yourself	Pages 3 - 6
❑ Section 2	Facilitated by a Consultant or Board Coach	Pages 7 - 9
❑ Appendix	Additional Resources	Pages 10-11
❑ Section 3	CCCA Thriving Boards "Best Practices" Survey (Sept. 2016)	Page 12 + pages 1-17 of the CCCA survey

Thursday, January 22

"The self-assessment process is a method for assessing what you are doing, why you are doing it, and what you must do to improve an organization's performance."

Peter F. Drucker

www.HesselbeinInstitute.org

Friday, May 21

"Self-assessment is the first action requirement of leadership: the constant resharpening, constant refocusing, never really being satisfied."

Leader to Leader INSTITUTE

Peter F. Drucker

www.leadertoleader.org

☐ Introduction

WHY ASSESS?
From: BoardSource
https://www.boardsource.org/eweb/dynamicpage.aspx?webcode=WhyAssess

To put it simply, assessment is one of the most effective ways to move your board and board leaders to the next level of performance. And if you're like most, that's something you want to do!

Why conduct a board self-assessment?

Are you wondering whether you should change your board's size or composition? Restructure your committees? Put term limits in place? Do you want to step up your board's engagement? Explore issues related to board/staff relations? Or determine how your board is performing in fundraising or other key areas of responsibility?

A board self-assessment is an efficient way to get input from all of your board members on how the full board is performing against generally accepted best practice standards and use that information to create positive change! It leads to a shared understanding of the board's responsibilities related to compliance, accountability, financial oversight, and ultimately, setting direction for the organization. And it provides the framework for setting priorities that will maintain your strengths and will address those areas in need of improvement, such as fundraising, strategic planning, or perhaps recruitment.

And we have data to prove that self-assessment works! According to *Leading with Intent: A National Index of Nonprofit Board Practices, 2015*, boards that have conducted a self-assessment have greater impact on the organization's performance according to chief executives than those that have not (79 percent vs. 58 percent).

Download
Leading With Intent
http://leadingwithintent.org

❑ Section 1: Do-It-Yourself

DO-IT-YOURSELF OPTIONS:

❑ **#1. BOARDSOURCE.** Visit www.BoardSource.org to review several options for board self-evaluations and board self-assessments.

Assessments lead to good governance
WHAT ASSESSMENT TOOLS DOES BOARDSOURCE OFFER?
https://www.boardsource.org/eweb/dynamicpage.aspx?webcode=Assessments

BoardSource offers a variety of assessment tools for both boards and chief executives. In fact, we feel so strongly about assessment as a driver of nonprofit effectiveness that we offer either complimentary or discounted assessment tools as a benefit of our organizational membership program. If you are considering one of BoardSource's assessment tools, you may want to consider becoming an organizational member.

Board Performance Assessment Tools

- **Board Self-Assessment (BSA)** survey gathers feedback from individual board members and measures the collective performance of the board.

- **Peer-to-Peer Assessment (P2P)** survey asks board members to evaluate their individual performance and that of their peers to learn how the performance and culture of the full board is affected by the style and engagement of its individual members.

- **Diversity and Inclusion Assessment (D&I)** educates and assesses the board's progress in implementing diversity and inclusion practices and policies.
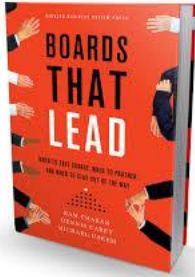
NOTE: Visit
https://www.boardsource.org/eweb/dynamicpage.aspx?webcode=AssessmentsWhat#board
and click on "SAMPLE SURVEY" at the bottom of the page—for several pages of the BoardSource survey. [BoardSource Non-member Price: $975]

Note: While BoardSource serves both secular and faith-based boards, the materials do not reference what I believe are the unique distinctives of Christ-centered boards. Should you create your own "do-it-yourself" tools/process, I would encourage you to add those distinctives for Christ-centered boards such as spiritual discernment practices, prayer, understanding strategic planning and mission outcomes from a theological perspective, etc.

A helpful resource is the ECFA Press book, *The Choice: The Christ-Centered Pursuit of Kingdom Outcomes*, by Gary G. Hoag, R. Scott Rodin, and Wesley K. Willmer. Read John's review:
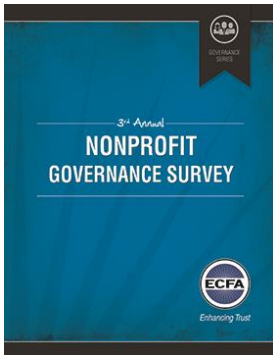http://urgentink.typepad.com/my_weblog/2014/04/the-choice.html

❑ #2. BOOK/ASSESSMENT: BOARDS THAT LEAD.
Boards That Lead: When to Take Charge, When to Partner, and When to Stay Out of the Way, by Ram Charan, Dennis Carey and Michael Useem, is both an excellent resource and an important book for the board to read prior to a board retreat or a strategic planning day.

From my review:

> Just when you thought you were knowledgeable in governance, along comes a 219-page poke-in-the-ribs, plus an incredible 40-page section with 18 checklists for board members, a bonus chapter on "Trends in Director Monitoring and Leading," a director evaluation worksheet, and six golden pages on "Division of Responsibilities Between the Board Leader and the CEO."

> http://urgentink.typepad.com/my_weblog/2014/03/boards-that-lead.html

❑ #3. ECFA: ONE-PAGE SELF-ASSESSMENT. On page 60 of the *ECFA 3rd Annual Nonprofit Governance Survey* (62 pages), conducted and published by ECFA in 2014, is a one-page "Board Member Self-Assessment" with 20 questions and a five-point rating scale. The one-pager also includes the average scores for those questions from more than 1,700 board members from ECFA-accredited organizations. You can download a PDF of the survey here: http://www.ecfa.org/Content/Surveys.

Note: Thriving Boards participants received two copies of the survey at the March 2016 sessions.

CUSTOMIZED ECFA SELF-ASSESSMENT. (See Section 2 for this option.) Another option is to customize the *ECFA 3rd Annual Nonprofit Governance Survey* for your use. Using the ECFA Survey questions, you could then benchmark your responses against the responses of ECFA-accredited organizations.

❑ **#4. BOOK/ASSESSMENT: TEN BASIC RESPONSIBILITIES OF NONPROFIT BOARDS.** *Ten Basic Responsibilities of Nonprofit Boards* (Second Edition), by Richard T. Ingram (90 pages, BoardSource, 2008), includes a 20-question self-assessment. (Note: In 2015, BoardSource published the Third Edition which adds more commentary on the board's role in "advocacy.")
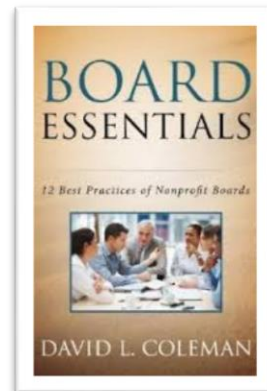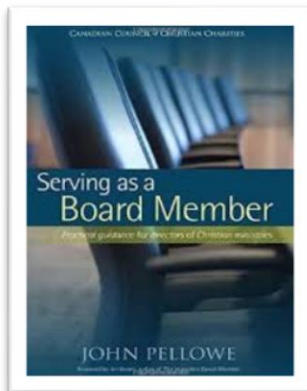
The first title of six in BoardSource's "Governance Series" delivers the generally agreed-upon list of the 10 roles and responsibilities of nonprofit board members. ==(Christ-centered boards will likely add one or two more.)== The book includes an excellent 20-point self-assessment for board members, with probing questions like:
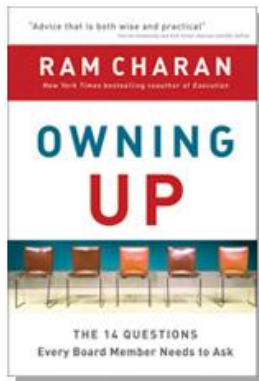
☑ "Are there ways in which your talents and interests can be more fully realized at or between board or committee meetings?"

☑ "Have you and the board taken steps to deal with real or apparent conflicts of interest in your board service?"

☑ "Which aspect of your service on the board has been the least satisfying and enjoyable?"

In 2014, I reviewed four governance books in my eNewsletter, "Your Weekly Staff Meeting," including this book. Here's a link to the reviews of four books that have excellent board self-assessment questions:

http://urgentink.typepad.com/my_weblog/2014/11/serving-as-a-board-member-4-books.html

☑ *Ten Basic Responsibilities of Nonprofit Boards,* by Richard T. Ingram

☑ *Serving as a Board Member: Practical Guidance for Directors of Christian Ministries*, by John Pellowe (188 pages, Canadian Council of Christian Charities, 2012)

☑ *Best Practices for Effective Boards*, by E. LeBron Fairbanks, Dwight M. Gunter II, and James R. Cauchenour (191 pages, Beacon Hill Press of Kansas City, 2012)

☑ *Board Essentials: 12 Best Practices of Nonprofit Boards*, by David L. Coleman (109 pages, Andrew/Wallace Books, an imprint of BoardTrek Nonprofit Consulting, 2014)

❑ **#5. BOOK/ASSESSMENT: OWNING UP:** Another helpful approach is to take Ram Charan's book, *Owning Up: The 14 Questions Every Board Member Needs to Ask* (you received two copies in the Thriving Boards program) and assign the five most significant chapters (out of the 14 questions) to five different board members and work through those. Tab 14 of the *Tools & Templates* binder has a "Read and Reflect" worksheet to be used with the book. Note: we adapted some of those questions for use in the ECFA survey.

My review of the book:
http://urgentink.typepad.com/my_weblog/2010/01/owning-up.html

Wednesday, May 26

"Boards need to understand basic strategy, but it's not their job to create it."

Ram Charan

Leader to Leader
INSTITUTE

www.leadertoleader.org

❑ Section 2: Board Self-Assessment Facilitated by a Board Coach/Consultant

❑ **#6. CUSTOMIZED ECFA SELF-ASSESSMENT.** In this option, your coach or consultant could customize the *ECFA 3rd Annual Nonprofit Governance Survey* for your use. CCCA can request permission from ECFA to use the survey, and could receive the actual Survey Monkey template used. You could then benchmark your responses against the responses of ECFA-accredited organizations. Your coach or consultant could include some value-added elements, such as phone coaching.

Details:
- Approximately 30-35 questions with 7 to 10 optional questions.
- Approximately 12 to 15 minutes required to complete the assessment, depending on how many optional questions a board member answers.
- Anonymous—but all open-ended responses/comments will be included in the results.

Process:
- From beginning to end, the process generally can be accomplished in 30 to 60 days, depending on urgency and board meeting schedules.

No.	STEPS
1	Board Chair and President review customized survey (Draft #1) and suggest edits (by email or phone) – can include up to 3 drafts; and can include additional question that are not part of the ECFA survey.
2	When survey is finalized, the Board Chair or CEO sends an email to all board members with brief memo (written by your coach) with a link to the online survey. • Survey deadline (usually 14 days, with a reminder sent 2 days before the deadline)
3	Survey Results delivered via 3 options (see below)

Survey Results:

OPTIONS:	DESCRIPTION OF SERVICES	COACH'S TIME (including survey design)
Option 1: Results Only	Survey Results emailed in PDF format • Your Executive Committee or Governance Committee discerns how best to analyze and review the information; and how best to share it with the board.	About 4 hours
Option 2: Briefing via *Go to Meeting*	Survey Results emailed in PDF format to Executive Committee or Governance Committee with one-hour "Go to Meeting" session: • PowerPoint presentation of Survey Results • Q&A • Recommended Next Steps	About 6 hours
Option 3: Presentation at Comm. or Board Meeting	On-site Briefing of Survey Results with full Board and/or Executive Committee or Governance Committee to include: • Survey Results (photocopied for each participant) • PowerPoint presentation • Q&A • Recommended Next Steps	1 day

❑ #7. CUSTOMIZED SELF-ASSESSMENT—UNIQUELY DESIGNED FOR CLIENT.
In this option, your coach or consultant would start from scratch and create a customized survey tool—based on numerous factors including:
- Your current governance model
- Experience of current board members
- Tenure and experience of the CEO and/or senior team
- What season or cycle you're in (example: google Charles Handy and the Sigmoid Curve)
- Or…read how Jim Collins identifies five stages of decline in his book, *How The Mighty Fall: And Why Some Companies Never Give In*: http://urgentink.typepad.com/my_weblog/2009/07/how-the-mighty-fall.html
  > Stage 1: Hubris Born of Success
  > Stage 2: Undisciplined Pursuit of More
  > Stage 3: Denial of Risk and Peril
  > Stage 4: Grasping for Salvation
  > Stage 5: Capitulation to Irrelevance or Death
- Previous governance enrichment help from other consultants and/or board training
- Other factors (Are you in chaos? Growing? Declining? Healthy? God-honoring? Board dissension? Staff departures? Community concerns? Inability to agree on a governance model, perhaps due to the recruitment of new board members, with different views and past board experiences and/or dysfunctions?)

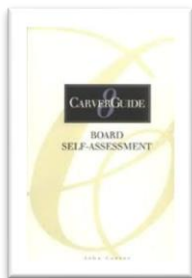| OPTIONS:	DESCRIPTION OF SERVICES	COACH'S TIME (including survey design)
Option 1: Bronze	Design customized survey based on: • Phone interviews with up to 5 board members (including the CEO and board chair) • On-site presentation of results and next steps	1.5 days
Option 2: Silver	Design customized survey based on: • Phone interviews with all board members (including the CEO) • On-site presentation of results and next steps • Phone coaching over the next 6 months (about 4 hours)	2 days
Option 3: Gold	Your suggestions!	___ days

Thursday, October 22

"Our culture is reflected in the questions we ask, the way we discuss and learn from mistakes, the initiatives we support, and the process we use for determining priorities."

Freeman A. Hrabowski III

www.HesselbeinInstitute.org

APPENDIX

Carver Guide #8
Board Self-Assessment
By John Carver
1997, 18 pages

While your board probably does not function as a true Policy Governance® Model board, John Carver's work in this area is worth noting. Here's my review of his classic book, *Boards That Make a Difference: A New Design for Leadership in Nonprofit Organizations:*
http://urgentink.typepad.com/my_weblog/2011/08/boards-that-make-a-difference.html

In his booklet, *Board Self-Assessment*, he summarizes his definition of the process:

• "The primary purpose of evaluation is not to reward or punish but to achieve continual improvement in performance. A board can engage in healthy and useful self-evaluation if it lays aside the judging connotation. I want boards to see self-evaluation as similar to what goes on between eyes, brain, and muscles when you practice a skill. Typically, you make little comparisons, little adjustments—a nip here, a tuck there, hold your mouth a little differently—in a never-ending sequence.

• "Self-evaluation is most meaningful when related to established expectations. Evaluation requires a standard of comparison, an expectation. Unless a board is clear about what constitutes responsible governance, its attempt at evaluation will merely meander. Evaluation, therefore, done as a freestanding action, can never make up for not having put into place carefully considered expectations, against which the board then does its evaluation

• "Board self-evaluation is an inseparable part of governing, not an extraneous or optional task. To see how integral evaluation is to the task, try writing in the dark. If you cannot see where your pen marks, you will not write well and may not even write legibly. Yet writing is a familiar skill with which you have a lifetime of experience. It is so automatic that you scarcely give the arm, and hand, finger muscle movements a conscious thought. But writing in the dark is hard. How much more must we need feedback for a complex social task such as governance?

• "Self-evaluation is a continual rather than sporadic activity. If you want to improve performance, evaluation must be continual. <mark>Consequently, I have little use for the annual board self-evaluation.</mark>

• "Board self-evaluation is the responsibility of the board—not the staff. Because self-evaluation is integral to the job to be done, and because governance is surely the board's job, the board has little choice but to accept the responsibility of evaluating how well it is doing its job. Like other parts of the board's job, people outside the board may be engaged to help the board evaluate itself, but it is critical that the board begin with the sense that it alone is responsible in a very direct and personal way."

ADDITIONAL RESOURCES

❑ Additional governance resources, from John Pearson are included here:

- The Board Bucket: http://managementbuckets.com/board-bucket

- Blog: "ECFA Governance of Christ-centered Organizations" (3-4 posts per month, written by John Pearson)
  http://ecfagovernance.blogspot.com

New in 2016
Alliance for Board Effectiveness
80-Question Self-Assessment
http://boardeffectiveness.org/

A new "alliance" of board consultants has just launched this year, and the website includes a do-it-yourself 80-question self-assessment, based on the governance tool "80 Principles/Practices of Effective Boards" from the Good Governance Toolbox by The Andringa Group.

<mark>This is included in Binder 2 of 2, Tab 11.</mark>

❑ Section 3: CCCA Thriving Boards "Best Practices" Survey
(September 2016)

CCCA THRIVING BOARDS "SURVEY C"

The pages that follow include the "board best practices" survey that was emailed to Executive Directors in September 2016, with the request that all board members who participated in the March 2016 and/or October 2016 sessions should complete the survey.

A similar survey will be sent to the same group in 2017—so improvement (we hope) can be benchmarked.

As you know, the CCCA Thriving Boards program is funded, in part, by Murdock Trust. The grant requires that a third-party evaluator assess program outcomes. "Survey C" is part of that process.

The board chair finally had time to analyze the
Board's Annual Self-Assessment responses.