

Board Leadership & Development

June 2024



M.J. Murdock
CHARITABLE TRUST



Board Leadership
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Let's Celebrate Your Wins!



1 Faithful Friends

2 Folio-The Seattle Athenaeum

3 Friends of the Children Central Oregon

4 L'Arche Tahoma Hope

5 Mazamas

6 Mission West Community Development Partners

7 Nooksack Salmon Enhancement Association

8 Northwest Film Forum

9 Northwest Harvest

10 Project LEDO

11 Puyallup Food Bank

12 SquareOne Villages

13 Street Roots

14 Western States Arts Federation



A High Performing Board...



1

➤ Agrees on the governance model and philosophy (Effective **Governance** Practices)

2

➤ Defines and maintains a healthy, mission-centered board culture (Healthy/Faithful Board **Culture**)

3

➤ Commits to deep understanding of the organization and its context/marketplace (**Sustainable** Organizational Framework/Business Model)

4

➤ Holds the long view in mind (Dynamic **Strategic Plan**)



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Brief Tech Review



Cohort Landing Page

<https://murdocktrust.org/2024-board-leadership-general-cohort/>

Save this landing page as a bookmark on your browser for easy access/return.

- › Use the “jump link” to “**Tools and Templates**”
- › Look for the pillar header (e.g., Governance) and the assessment or tool title



QR codes on your tables

- › These will take your hand-held devices (e.g., iPhones, tablets) to the landing page.



Slide PDFs have links.

- › These will take you directly to the specific assessments/tools.



Ask me for help at any time!










Governance 201:

Life Cycle of the Nonprofit Board



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Five Stages: Aligns with Characteristics of High Performing Board

- 1 >  Identifying
- 2 >  Beginning
- 3 >  Continuing
- 4 >  Ending
- 5 >  New beginning



Identifying: Recruiting New Board Members

Three Steps:

1 Board Evaluation—know what you want

- › Use tools for board evaluation and individual board member self-evaluation
- › Create a matrix to identify current board composition
- › Use strategic plan to identify needed strengths and areas of expertise
- › Identify the weaknesses/needs in current board
- › Create profile for new members
- › Fulfill commitments to cultural awareness



Identifying: Recruiting New Board Members

Three Steps:

2 Board Recruitment Strategy

- › Be sure you have a clear job description and list of expectations and responsibilities
- › Convene a strong nomination committee
- › Have forms for candidate nominations
- › Involve Executive Director and key staff as necessary
- › Use board analysis and strategic plan in recruitment–targeted and specific
- › Develop a nominating process and follow it
- › Do your board terms help/hurt your recruitment?



Identify: Recruiting New Board Members

Three Steps:

3 Board Nomination Process

- › Three steps:
 - Interest
 - Invitation
 - Nomination
- › Process is bi-directional
- › Create a nomination packet for candidates
 - Ten Questions
 - Commitment Form

- › Create a nomination packet with bio for board members
- › Develop a personal visitation process with Chair and Executive Director
- › Bring nominations through Nominating Committee by way of assessment and strategic plan
- › Complete due diligence and due process
- › Critical role of wisdom and discernment



Beginning: Welcoming, Informing, and Orienting New Board Members



Provide appropriate materials on both the board and organization



Involvement with staff/organization



Personal meeting with Executive Director and Board Chair

- › Review minutes of previous meetings
- › Highlight critical issues/decisions
- › Review the strategic plan
- › Reaffirm role and expectations
- › Open line to Executive Director and Board Chair



Welcome and introductions at first meeting



Continuing: Effectively Involving Board Members to Achieve the Vision



Five Considerations

- 1 Time Management:** Use their time wisely with well-run, organized, purposeful meetings
- 2 Communication:** Timely mailings, meeting preparation, semi-annual visits by board chair, good staff-board communications
- 3 Involvement:** According to their expectations and roles, opportunities for organization involvement, personal financial support
- 4 Revitalization:** Board retreats, strategic planning work, outside consultants
- 5 Recognition:** Acknowledge and thank board members often



Ending: Helping Board Members Complete Their Service



Three Reasons to Move Members Off the Board:

- 1 **Ineffectiveness:** Lack of attendance and inability to carry out role and expectations
- 2 **Unacceptable behavior**
- 3 **End of term**



Keys for Good Endings



› Clear policies and expectations



› Fair and frequent evaluations



› Processes for grievances and discipline



› Accountability



› Appropriate term limits



› History



Places for Former Members to Continue Serving



Advisory committees



Emeriti



Volunteers



Off the board
with plans to return
when appropriate



New Beginnings: Considerations for Returning Board Members



Considerations:

- › Must fit strategic board needs
- › Abbreviated nomination process
- › Give board full reign to vote—no pre-arrangements or promises—due process
- › Don't abbreviate orientation process





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Now: Tablework

Templates are located on the cohort landing page:

- › Access landing page
- › Click “**Tools and Templates**” jump link
- › **Section:** Governance
- › **Subsection:** New Board Members

The focus for this time is:

Slides 6-16 & *these templates:*

Pathway to the Board: Overview

<https://murdocktrust.org/app/uploads/2024/04/BL4DBD1.pdf>

Pathway to the Board: Process Checklist

<https://murdocktrust.org/app/uploads/2024/04/BLD-2024-Governance-The-Pathway-to-the-Board.pdf>

Board Member Nominee Suggestion Form

<https://murdocktrust.org/app/uploads/2024/01/BLD-2024-Governance-Board-Nominee-Suggestion-Form.pdf>



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Now: Working Lunch

Templates are located on the cohort landing page:

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Governance 201:

Succession Planning



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What Happens Now?



Executive Directors...



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What Happens Now?



Executive Directors...



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Executive Director Reports/Board Reports



 **Boards**
What did you learn?



 **Executive Directors**
What did you realize?



Succession Planning



Succession planning is a process of preparing for good leadership transition



Succession planning is not to be confused with executive director or key leader evaluation



Two key aspects of succession planning to consider:

1

Contingency planning deals with emergencies

2

Succession planning prepares for the future



Contingency/Emergency Plan

Contingency Plan Checklist Questions



> Who takes the lead?

- > What are the decision-making parameters?
- > How much money can be spent?

> When, what, and to whom do we communicate?

- > Organization
- > Donors
- > Family
- > Insurance—should we have it?
- > Constituents
- > Bank
- > Others?

> What about the organization?

- > Who is in charge?
- > Will we pay them extra?
- > How will we communicate?

> What about the family?

- > Do they know?
- > What can be done to ease the pain?

> Immediate and Future Leadership

- > Is there an interim leader?
- > Do we start a search?
- > How is the search to be paid for?



Succession Planning

1 Develop a written Contingency Plan

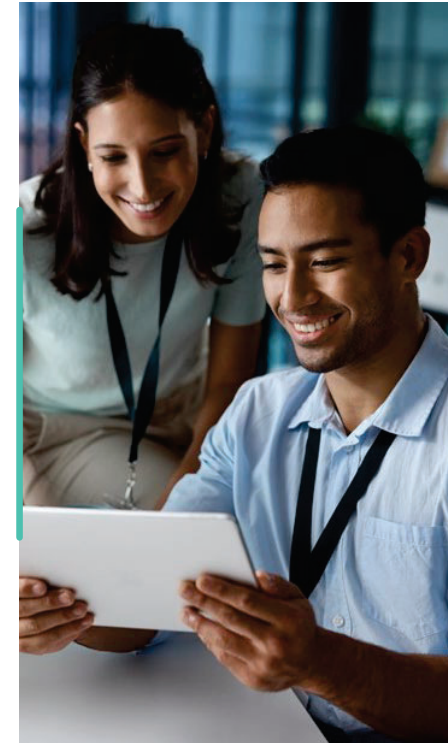
- › Share the Contingency Plan with trusted advisors
- › Incorporate their comments into your thinking
- › Work through Contingency Plan with your staff and board
- › Don't try to finish the plan all at once; think; take your time
- › Ensure the Contingency Plan is consistent with Articles of Incorporation, bylaws, policies, etc.
- › Finalize your Contingency Plan and circulate
- › Think through the benefits/liabilities of sharing your plan within the organization
- › Revisit Contingency Plan annually



Succession Planning

2 A written Succession Plan and the elephant in the room

- › Why so few of us have a good written plan
- › Uneasiness from the board
 - Poor executive director evaluation process, if there is one
 - Marginal performance by executive director
 - Not wanting to “talk money”
 - Not sure how to create a plan
 - Who should have the conversations?
 - How do we start the conversations without concerning the executive director?
- › Insecurity of Executive Director
 - Are they forcing me out?
 - I don’t have enough to retire
 - Am I not doing a good job?
 - I haven’t had a review in years



Questions to Answer:



Do we review the Executive Director annually?

- › Is there a job description?
- › Is succession planning part of the review?
- › How is a competitive wage established?



Is there a process and timetable for retirement and/or planned departure?



Is there an internal successor(s)?

- › If so, what development needs are there for that person?
- › What training or additional exposure can be offered?



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Questions to Answer:



If there is not an internal choice, has a search firm been identified?

- › If not, how do we learn about search firms?



Who is on the search committee?



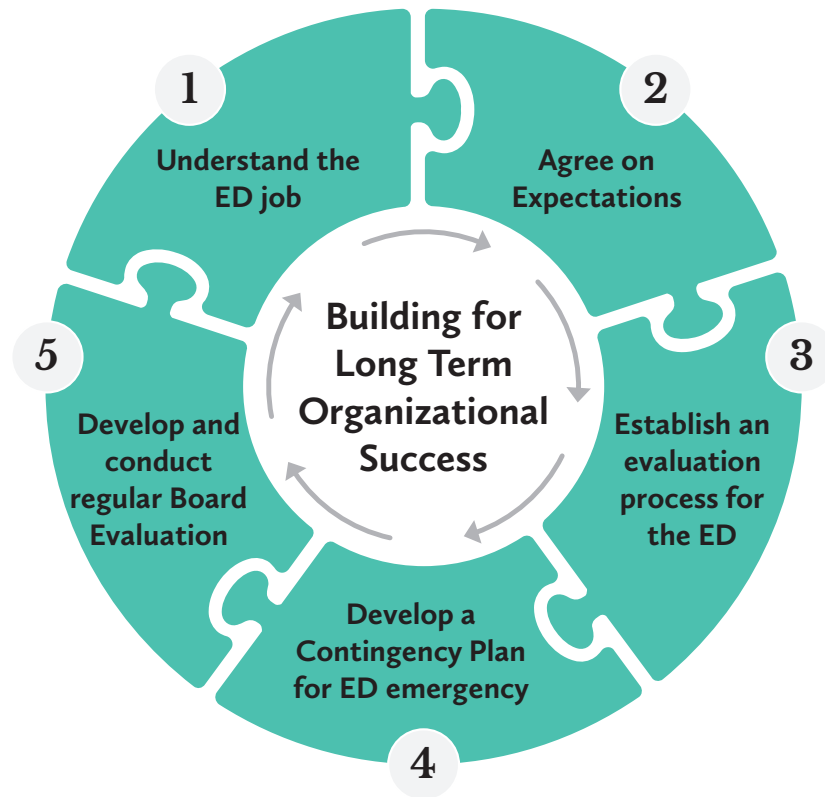
What is our severance policy?

- › Forced termination?
 - Performance issues?
 - For cause?
- › Unforced termination?
 - Change in direction for the organization?
 - Performance not up to expectations?



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Succession Planning Cycle



Source: Chief Executive Succession Planning – Nancy Axelrod, Board Source 2020



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Worksheet

Succession Planning Starting Questions

A GOOD, SIMPLE, COMMUNICATED CONTINGENCY PLAN IS FIRST. TO GET STARTED, ANSWER THESE QUESTIONS:

1. Who takes the lead?

a. What are the decision-making parameters?

b. How much money can be spent?

2. When, what, and to whom do we communicate?

a. Organization

b. Donors

c. Family

d. Insurance—should you have it?



<https://murdocktrust.org/app/uploads/2024/04/BLD-2024-Governance-Succession-Planning-Starting-Questions-fillable.pdf>





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Now: Tablework

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- › **Subsection:** Succession/Contingency Planning

The focus for this time is:

Slides 19-30 & *this worksheet:*

Succession Planning Starting Questions

<https://murdocktrust.org/app/uploads/2024/04/BLD-2024-Governance-Succession-Planning-Starting-Questions-fillable.pdf>



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Governance 201:

The Board/Executive Director Relationship




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Cultivating Clarity and Alignment: The Governance Continuum

	A  Board as Staff	B  Board as Managers	C  Board as Directors	D  Board as Governors	E  Board as Advisors
1	▶ Legal responsibility resides with the board	▶ Legal responsibility resides with the board	▶ Legal responsibility resides with the board	▶ Legal responsibility resides with the board	▶ Legal responsibility resides with the board
2	▶ Reasons for organization to exist are determined by the board	▶ Reasons for organization to exist are determined by the board	▶ Reasons for organization to exist are determined by the board	▶ Reasons for organization to exist are determined by the board	▶ Reasons for organization to exist are determined by the Executive Director
3	▶ Organizational long-term goals are set by the board	▶ Organizational long-term goals are set by the board	▶ Organizational long-term goals are set by the board	▶ Organizational long-term goals are set by the Executive Director	▶ Organizational long-term goals are set by the Executive Director
4	▶ Strategies to achieve organizational long-term goals are developed by the board	▶ Strategies to achieve organizational long-term goals are developed by the board	▶ Strategies to achieve organizational long-term goals are developed by the Executive Director	▶ Strategies to achieve organizational long-term goals are developed by the Executive Director	▶ Strategies to achieve organizational long-term goals are developed by the Executive Director
5	▶ Day-to-day operational authority rests with the board	▶ Day-to-day operational authority rests with the Executive Director	▶ Day-to-day operational authority rests with the Executive Director	▶ Day-to-day operational authority rests with the Executive Director	▶ Day-to-day operational authority rests with the Executive Director
6	The board spends most of its time DOING the work of the organization	The board spends most of its time SUPERVISING the work of the organization	The board spends most of its time DIRECTING the work of the organization	The board spends most of its time GOVERNING the work of the organization	The board spends most of its time AFFIRMING the work of the organization
7	Primary board output is LABOR	Primary board output is COORDINATION	Primary board output is DIRECTION	Primary board output is COUNSEL	Primary board output is ENDORSEMENT

- ▶ Board responsibilities
- ▶ Executive Director responsibilities

 These vary based upon which type of board you have. Adapted from R. Terrence Jackson (C) 2004

Board Member Temptations



1

› To think and conduct board business under the false assumption that all board members are just like me, and that we are wired with similar strengths, gifts, and social styles.

2

› To assume all board members are experienced and effective leaders—just like me—and that we all agree on our board’s operating style and are aligned with the Executive Director’s preferred operating style.

3

› To confuse the three hats of a board member: governance, volunteer, and participant.

4

› To lower the bar on board member selection and buy into the ill-informed mantra that just one of the three “W’s”—work, wisdom, wealth—is sufficient.

5

› To recruit board members because of their position versus their passion.



Board Member Temptations



6

› To rely on my past board and organizational experiences and rest on my laurels—versus becoming an active life-long learner in board governance best practices.

7

› To assume that all nonprofit organizations have similar organizational cultures—and to understand one is to understand them all.

8

› To make board decisions based on anecdotes and subpar analysis versus requiring objective data and reports and dashboards that are aligned with the mission statement, goals, and a strategic plan.

“What everyone knows is usually wrong.” –Peter Drucker

9

› To avoid healthy and honest dialogue with the Executive Director on challenging realities.


10


› To... [insert your own temptation]



Assessment

Take individually first, then discuss as a table.

 **Page 1:** Governance continuum

 **Pages 2-5:** Board/ED operating styles

Board Leadership & Development GOVERNANCE

Board Continuum — Policy Assessment

ADAPTED FROM JOHN CARVER'S "POLICY GOVERNANCE" LIST OF BOARD ROLES

SELECT 1 THROUGH 5 FOR EACH STATEMENT BELOW

	NEVER	SOMETIMES	ALWAYS		
	1	2	3	4	5
BOARD ORGANIZATION					
1. Sets the board's work plan and agenda for the year and for each meeting					
2. Determines board training and development needs					
3. Attends to discipline in board attendance, following bylaws and other self-imposed rules					
4. Continually improves their expertise as life-long learners in governance					
5. Meets with and gathers wisdom from the organization's customers and "owners"					
6. Establishes the limits of the Executive Director's authority to budget, administer finances, and compensation					
7. Establishes the results, recipients, and acceptable costs of those results that justify the organization's existence					



<https://murdocktrust.org/app/uploads/2024/02/BLD-2024-Governance-Board-Continuum-Policy-Assessment-notes-fillable.pdf>





Culture 201:

The Culturally Conscious Board

Setting the Board Table for Impact



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Boards Are On The Hot Seat.

How Harvard's Board Broke Up With Claudine Gay

Facing intense pressure, it went from standing behind her as the university's president to pushing her out within weeks.

Meet the Board of OpenAI Who Pushed Out Sam Altman

The group is now the subject of an employee letter seeking their removal

School district bans the dictionary to comply with state's book-ban law

City Council postpones decision on buying property for homeless camp

DREW WINKELMAIER The News-Review

9, 2024 Updated 20 hrs ago 8

HEADLINE PROMISES BROKEN AGAIN

in 15 states for kids

reject summer food



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Our Question

Is Your Board Working at Full Capacity?



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Culture | Coming to Terms

On the Table | Conscious Cultural Acts & Artifacts



Off the Table | Unconscious Customs & Currents

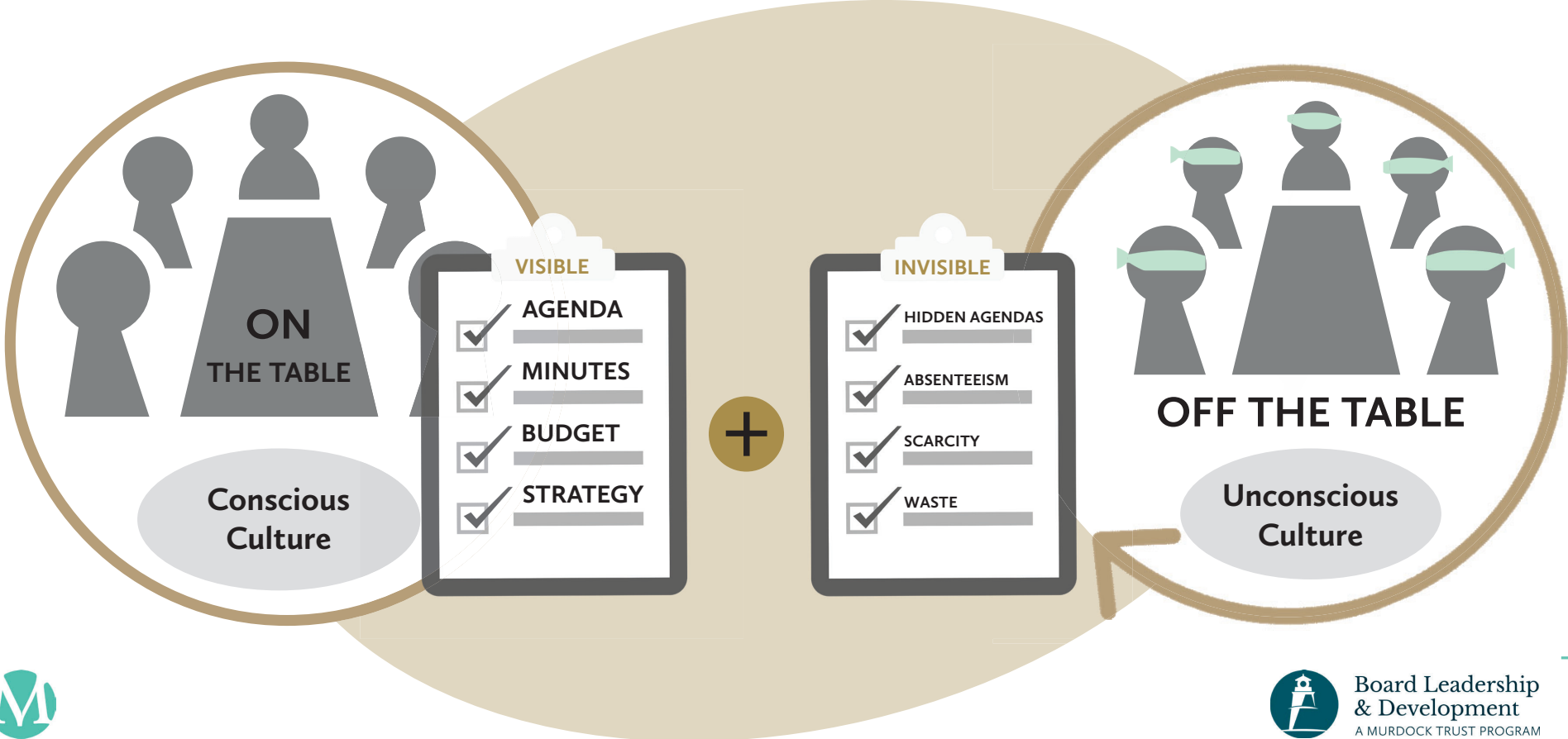
Beyond the Table | Currents of Social Culture

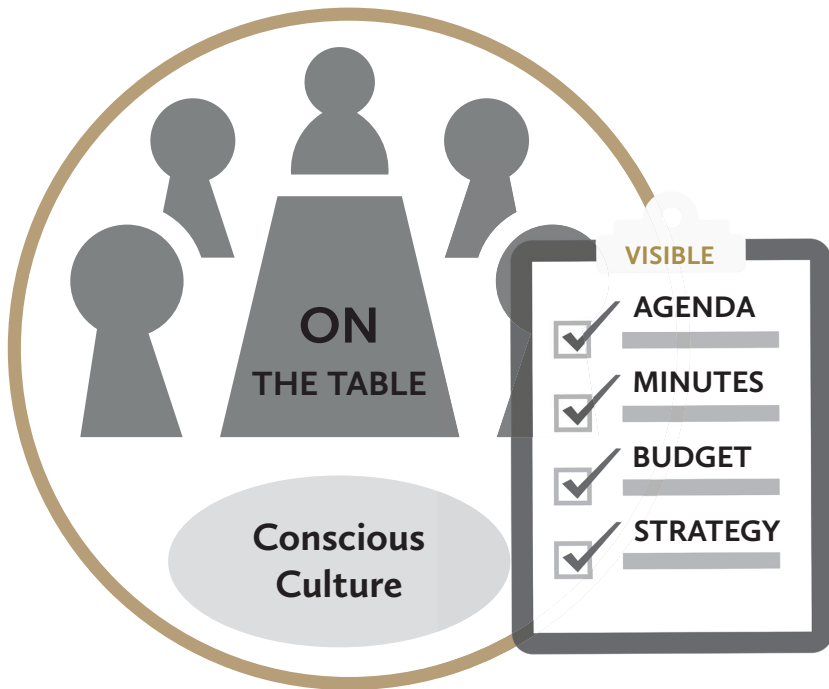
- | | | |
|-----------|----------|-----------------|
| History | Legality | Industry Shifts |
| Economics | Ethics | Popular Culture |
| Stories | Politics | Social Media |
| Myth | Values | Market Shifts |
| Religion | Trends | Consumer Shifts |

- | | | |
|-----------------|-------------|----------------|
| Unwritten Rules | Tradition | Unanimity |
| Scarcity | Our Enemies | Feelings |
| Tradition | Our People | On-Brand |
| Punctuality | Certainty | God/gods |
| Fairness | Waste | Qualifications |
| | | Blind Spots |



Half Capacity or Full Capacity





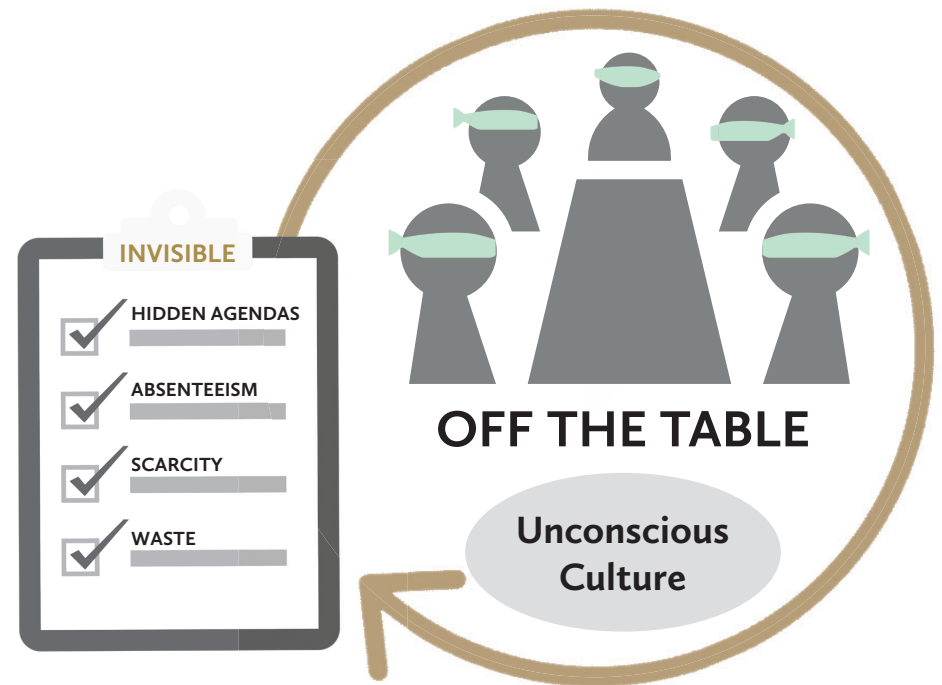
Exercise | What's On the Table and Off the Table?

- Under your table, you will find an envelope.
- The person who finds it may serve as the Host.
- Follow the instructions in the envelope.
- Choose a Reporter.



Lifting Cultural Blindfolds

- Not all cultural blindfolds are willful or intentional.
- When unexplained recurring patterns persist, culture might be speaking for itself.
- Blindfolds look odd when a community begins lifting them, making them mentionable.



Our Question

What Can You Do to Change
Your Board's Table Culture?
(Even If You Are Not the Chair).





*Have You Ever Been
Compelled to “Speak Up” or
“Hold Your Tongue” in a
Meeting?*

Talk to one colleague at your table about a time you were compelled to “Speak Up” or a time you were compelled to “Hold Your Tongue.”



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Be Guest & Host | Mission Requires Voices

When Were You the Host, When Were You the Guest?



Host

Inviter, advance team, greeter,
In-charge, ready for reciprocity.



Guest

Stranger, new-arrival, recent hire, not from
around here, ready for reciprocity.



[This Photo](#) by Unknown author is licensed under [CC BY](#).

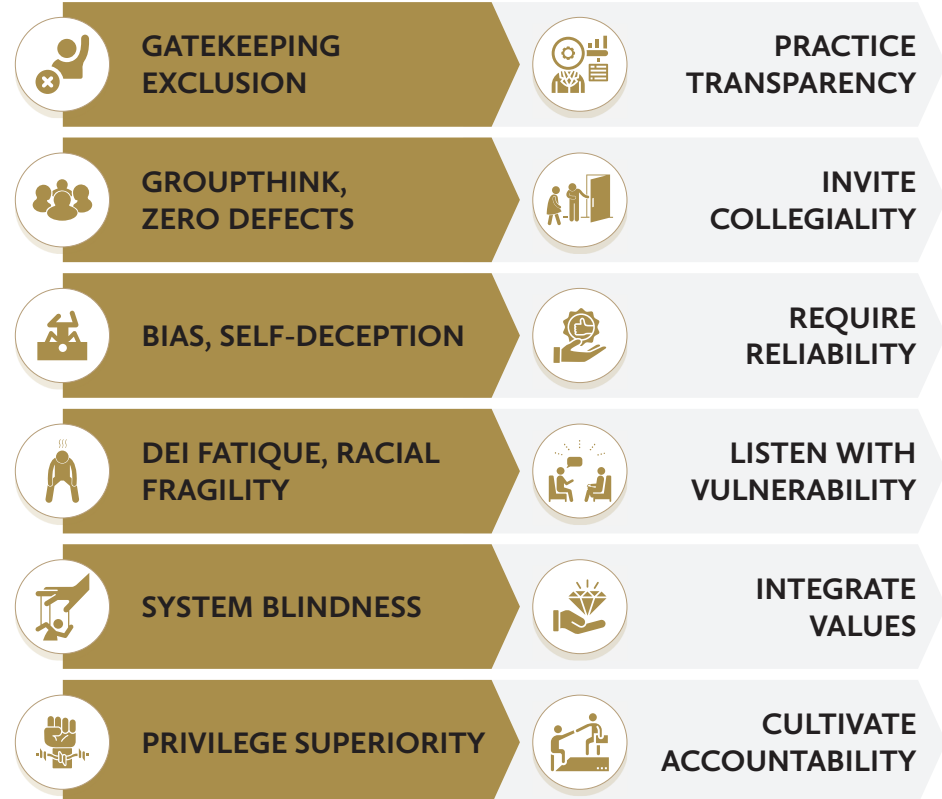
A Culturally Conscious Mindset Embodies Humility*



*Cultural Humility is Demanding.

ERODES TRUST

BUILDS TRUST



We Recommend
.....
Claim Your Seat,
Practice Your Board
Table Manners.



THE BOARD PLACEMAT ©

INTENTION

- We consult mission, vision, values during decisions.
- We examine policies for fairness, equity and inclusion.
- We expect status reports on the mission-based promise to stakeholders.
- We are convinced our theory of change makes a difference.
- We orchestrate our progress through a strategic plan.

IMPACT

- We measure our efforts by evidence-based outcomes regularly.
- We avoid dependency and parental mindsets.
- We compare results to stated intentions, promises.
- We harvest learning after events, milestones, fails, wins.
- We recognize, celebrate, encourage efforts of the team.

CulturallyConsciousBoard.com

IDENTITY

- We reaffirm our origin story.
- We make values mentionable.
- We align our walk with our talk.
- We honor stakeholders' identities, while true to ours.
- We make time to know our members' stories.

INVITATION

- We leverage our mission and story to attract stakeholders.
- We recruit members who add capacity, not merely fit.

- We glean stakeholder feedback to lift our cultural blindfolds.
- We embody a partnership of equals, a participatory approach.
- We cultivate diverse candidate pools when recruiting.

INVESTMENT

- We require budget priorities to reflect mission intent.
- We fund evidence-based efforts-to-outcome strategies.

- We ask 'how can we afford it (or afford not to)?' *instead of* 'can we afford it?'
- We model our mission engagement by participating financially.
- We build board capacity through cultural mentors and advisors.



SETTING YOUR TABLE

1

**MARK
TRUE OR FALSE**

2

**COMPARE
DIFFERENCES**

3

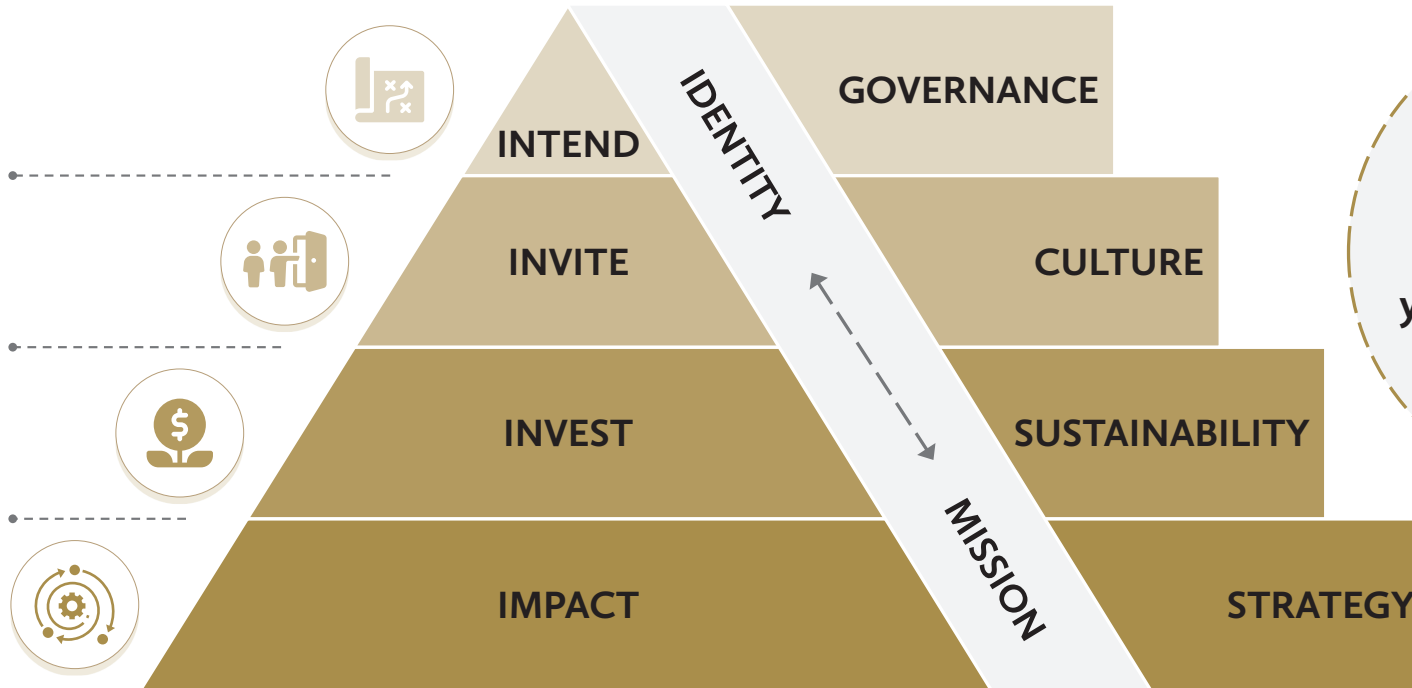
**DECIDE
START
STOP
SUSTAIN**

SCAN ME
DOWNLOAD, PRINT



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A Mission-Centered Board



Your impact is fundamentally a by-product of who you are, so be about your purpose.

Your Board Cannot Outpace the Culture that is Shaping It



Identity | Point to Ponder

Does your board ever consider decisions that could contradict its core aspirations?

IDENTITY | TRUE / FALSE

Identity | Distinct blend of characteristics expressing the self.

- We reaffirm our origin story.
- We make values mentionable.
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- We make time to know our members' stories.

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Intention | Point to Ponder

Does your board get what it merely expects or what it actively inspects?

INTENTION | TRUE / FALSE

Definition | Having a purpose or goal, designing for a specified future, proceeding on a course.

- We consult mission, vision, values during decisions.
- We examine policies for fairness, equity and inclusion.
- We expect status reports on the mission-based promise to stakeholders.
- We are convinced our theory of change makes a difference.
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Invitation | Point to Ponder

Does your board leverage its stakeholder relationships to deepen its decisions?

INVITATION | TRUE / FALSE

Definition | Welcoming participation, politely increasing chances, offering incentive.

- We leverage our mission and story to attract stakeholders.
- We recruit members who add capacity, not merely fit.
- We glean stakeholder feedback to lift our cultural blindfolds.
- We embody a partnership of equals, a participatory approach.
- We cultivate diverse candidate pools when recruiting.

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Investment | Point to Ponder

Does your board use its mission, values and promises in sustainability decisions?

INVESTMENT | TRUE / FALSE

Definition | Committing resources, earning a return, acting for future advantage, engaging emotionally.

- We require budget priorities to reflect mission intent.
- We fund evidence-based efforts-to-outcome strategies.
- We ask 'how can we afford it (or afford not to)?' *instead* of 'can we afford it?'
- We model our mission engagement by participating financially.
- We build board capacity through cultural mentors and advisors.

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Impact | Point to Ponder

Does your board shape the strategy's impact or accept results only after the fact?

IMPACT | TRUE / FALSE

Definition | Producing a result, force of impression left, lasting, durable outcome.

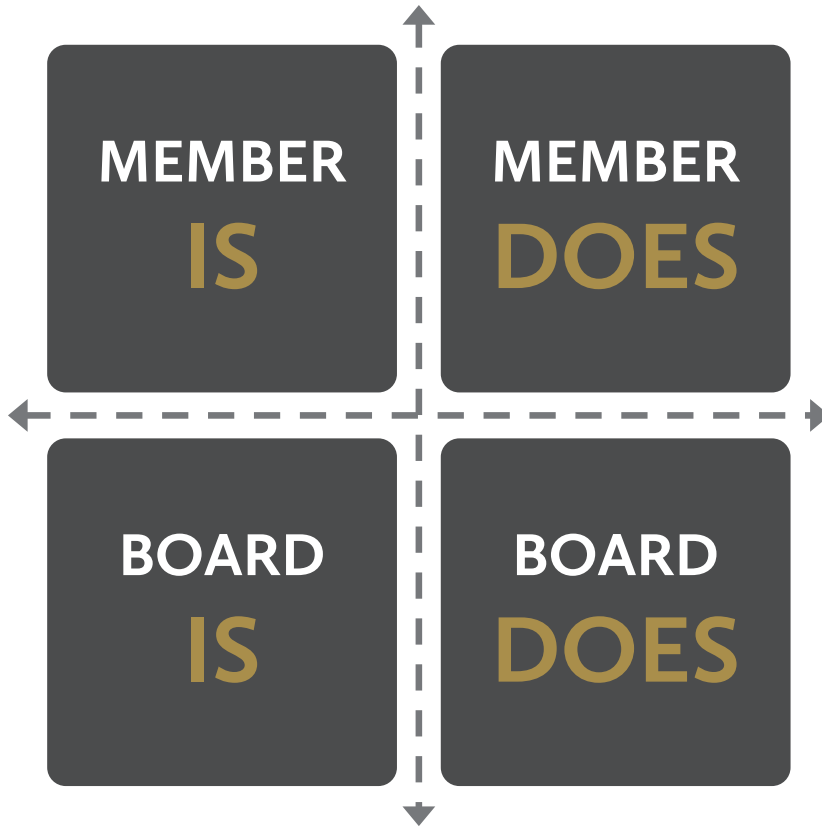
- We measure our efforts by evidence-based outcomes regularly.
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- We recognize, celebrate, encourage efforts of the team.

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Your Opportunity

If a board is going to be blamed, why not choose for what you want to be blamed?





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Now: Tablework

Templates are located on the cohort landing page:

- > Access landing page
- > Click “**Tools and Templates**” jump link
- > **Section:** Culture

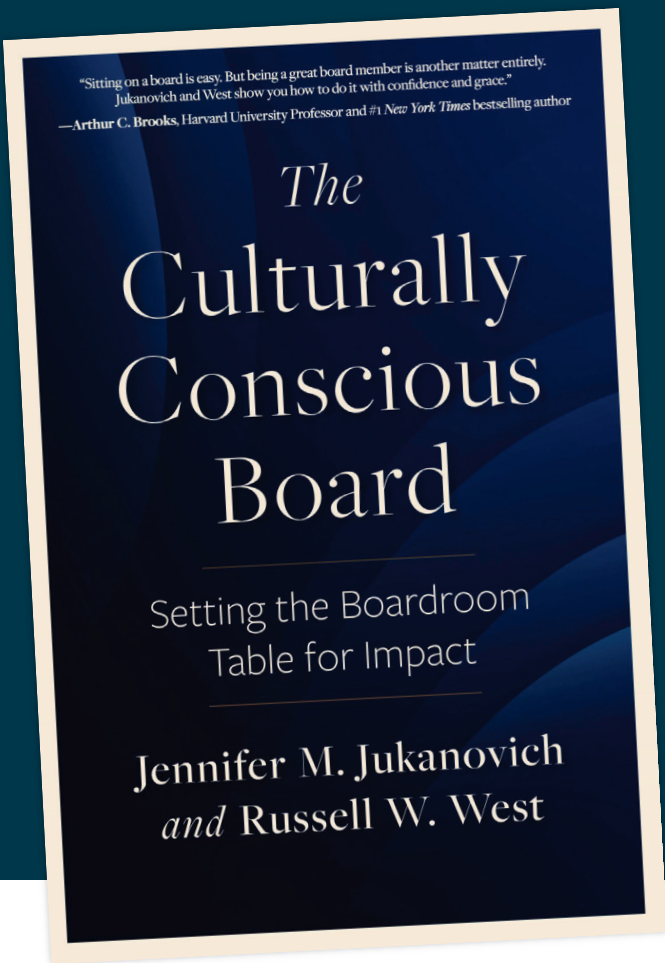
The focus for this time is:

Slides 49-56 & *these resources:*

Board Culture Placemat
Board Culture Case Study
Envelope Exercise



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Our Gift to You

The Murdock Charitable Trust and Berrett-Koehler publishers are pleased to provide you with this advance copy.

We'd love to hear how you and your board use the Board Culture Placemat or the book: team@culturallyconsciousboard.com.



SCAN for DOWNLOADABLE 11 x 17 PLACEMAT.



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Thank You!

➤ This evening:

- Reception: 5:30pm / Dinner: 6:00pm
- 6:45pm: "Fireside chat"
 - CEO Romanita Hairston
 - Kimberly Thornbury
 - Ed McDowell

➤ Tomorrow's program begins at 8:00am! (Breakfast, 7:00am)



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June 2024



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Sustainability 201:

The Work of High Performing Boards



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“ We are not building this country of ours for a day... it is to last through the ages. ”

President Teddy Roosevelt

Organizational Model for Sustainability



What Do We Mean by “Sustainable”?



› Lasting, enduring, delivering over the long-haul



› Absorbs ups and downs



› Flexes, but does not break



› Balances inputs and outputs



Why is a Sustainable Organizational Structure Important?



› Numerous constituents require it



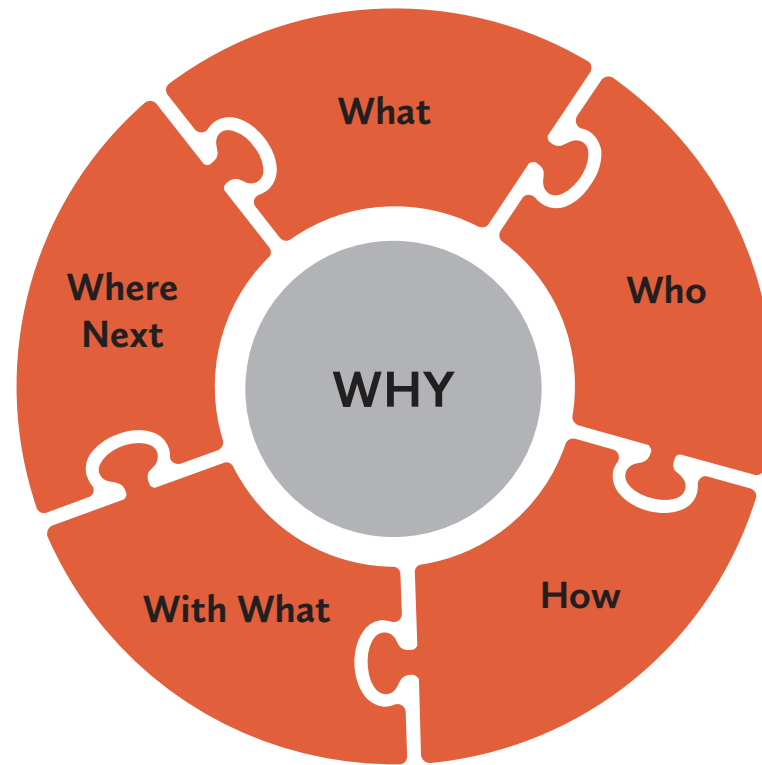
› Beneficiaries, staff, volunteers, donors, suppliers, your community, all benefit from a sustainable organization



› Allows us to keep our promise



Organizational Model for Sustainability



Organizational Model for Sustainability



Three Important Concepts: Quick Review



1

➤ Top leadership needs a working understanding of ALL core elements

2

➤ The interconnectivity of elements is key to driving efficiency and optimizing resources

3

➤ The organization should have a plan for each element



Organizational Model



Today we will go deeper into each of the five elements, highlighting three things:

- 1 Their importance
- 2 Actions a high performing board can take
- 3 Questions a high performing board should ask

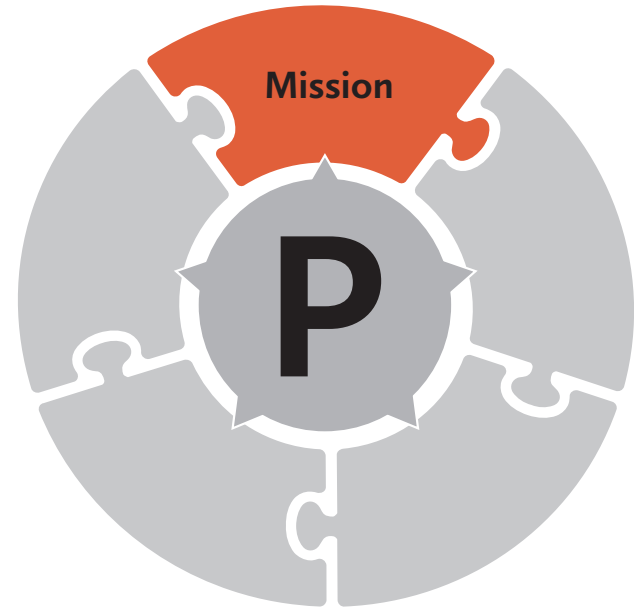


Organizational Model for Sustainability



Mission: Quick Review

- > Defines the core purpose of a nonprofit organization
- > States “WHAT” the organization provides



Importance of Mission

- > Guides the organization from the present into the future
- > Provides direction when the organization needs to adapt to new demands
- > Helps the board adhere to its primary purpose



Actions a High-Performing Board Can Take



Utilize their mission to make decisions



Establish boundaries for appropriate courses of action



Define and reinforce shared values, norms, and beliefs while clarifying these with stakeholders as part of mission stewardship



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Questions the Board Should Ask

1

➤ Does every board member know and understand the mission statement?

2

➤ Does our board regularly review the mission statement?

3

➤ Does leadership integrate the mission into meetings, gatherings, and functions?

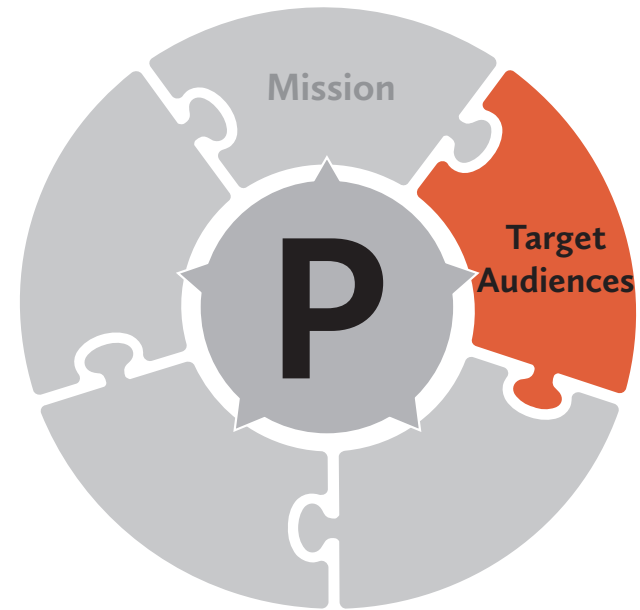


Organizational Model for Sustainability



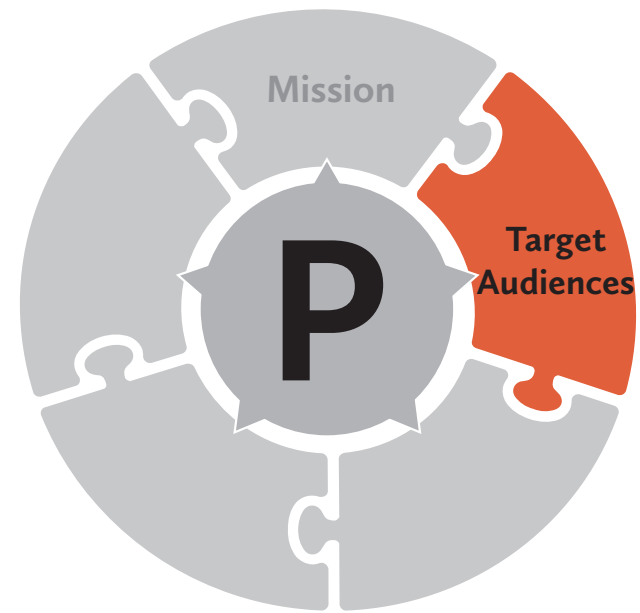
Target Audiences: Quick Review

- > Every organization has several target audiences
- > The primary audience is usually the beneficiary of the organization or its programs
- > Identify your additional target audiences



Importance of Target Audiences

- > Beneficiaries are the reason for an organization's existence
- > Understanding the audiences' needs directly relates to resources, program strategies, and board-level decisions
- > Each target audience requires a strategy



Actions a High-Performing Board Can Take



Understand the needs of their target audiences are vital



Recognize the needs of their audiences may change and/or vary depending on cultural differences



Assess the need to adapt strategies to these changes



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Questions the Board Should Ask

1

➤ Does our board and leadership understand the needs of our target audiences?

2

➤ Does our board regularly monitor changes in target audiences?

3

➤ Should we adapt strategies to address changes?



Organizational Model for Sustainability



Programs: Quick Review

- > Programs are outputs and where the mission is executed
- > Programs are your brand
- > Programs have lifecycles
- > The board's interest in programs is vital



Importance of Programs

- > Programs are where the mission comes to life
- > What are your key programs?



Actions a High-Performing Board Can Take



Expand their understanding of how programs meet the needs of each target audience



Make informed/strategic decisions about adding/ discontinuing programs



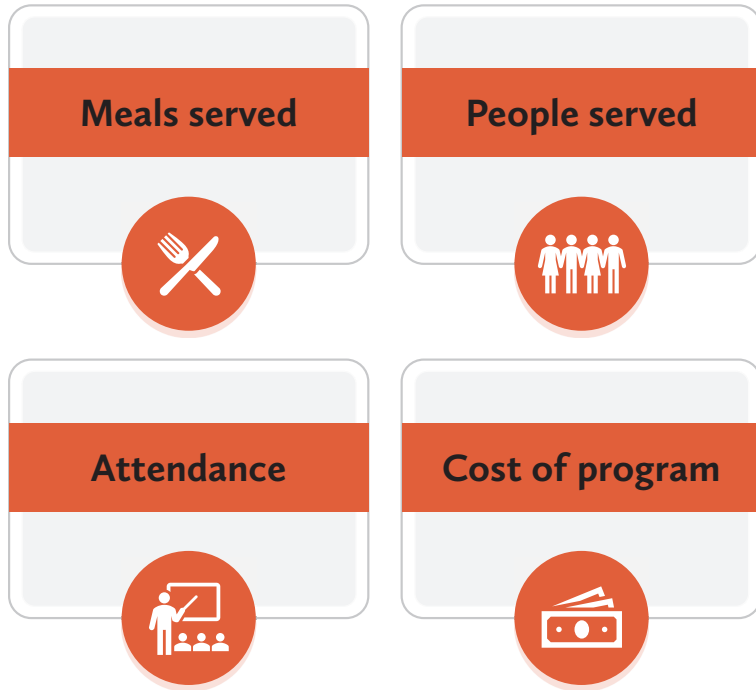
Examples of Program Pivots



Connect programs with outcomes
through evaluation and measurement



Evaluating Programs with Quantitative Data



> Choose 5-6 metrics



Evaluating Programs with Qualitative Data

Success stories



The power of institutional storytelling



Other Assessments: Keeping Programs Relevant



> The four buckets for continual improvement:

- 1 What is going right with this program?
- 2 What is broken or could be improved with this program?
- 3 What is confusing about this program?
- 4 What is missing with this program?



Questions the Board Should Ask

1

➤ Does each program keep our promise to its target audience?

2

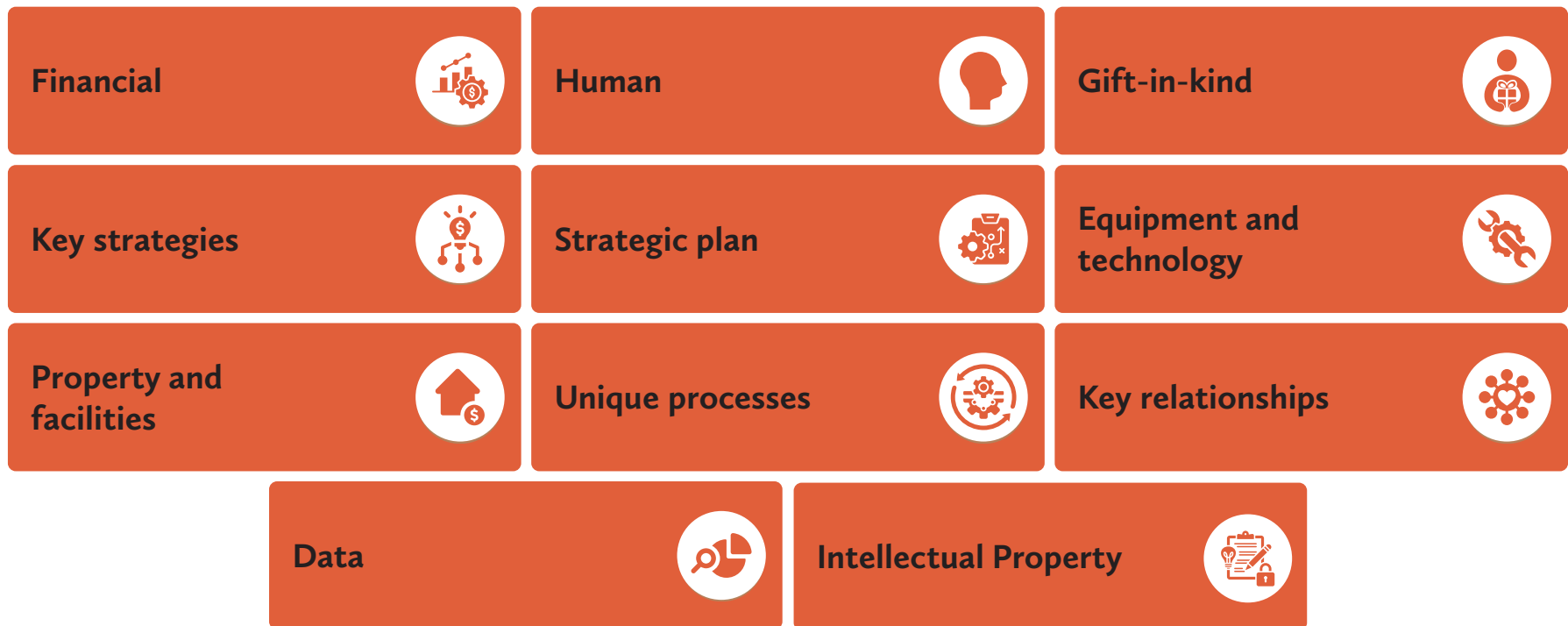
➤ Does our board regularly review efficiency and effectiveness regarding programs?



Organizational Model for Sustainability



Resources: Quick Review



Importance of Resources



Resources drive the amount of output an organization achieves



A scarcity of resources may limit an organization's impact



Actions a High-Performing Board Can Take



Continually monitor resources for effectiveness and efficiency



Utilize simple tools to monitor relevant metrics





Questions the Board Should Ask

1

➤ Does our board review each key resource area at least once a year using a master calendar?

2

➤ Have we developed metrics for measuring each resource?

3

➤ Do we have a tool that can assist in our review, such as a dashboard or exception reporting?



Organizational Model for Sustainability



Future Direction: Quick Review



1



Defined as how an organization delivers its promise in the future

2



Emphasizes the board and leadership looking forward

3



The future is more than one planning cycle

4



How will we deliver our mission and promise two to three years from now?



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Importance of Future Direction



1

➤ Future direction informs your strategic intent and choices, which is why board involvement is necessary

2

➤ Looking through the window of 2+ years



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Actions a High-Performing Board Can Take



Join leadership in being open minded, thoughtful, and committed to “looking around the corner”



Create space where this can be accomplished, being proactive rather than reactive





Questions the Board Should Ask

1



Does our board regularly “look around the corner” in each element of our organizational model—target audience, programs, resources, and finally mission?



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Examples of Future Direction



Assessments



Infrastructure



Financial stability



Programs



Staff culture



Crisis Management



Physical master plan



Future story



Market and competitive landscape



Board education



Cultural humility



Scenario Planning



Cash flows



Changing audiences/demographics



New partnerships



Physical space



Crisis



Pilot Simulator



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Organizational Model for Sustainability



Why is This Important?



Boards that understand their organizational model will increase performance



Better understanding leads to better questions—answers lead to higher understanding, creating a cycle of improvement



Continuous improvement builds sustainability



Assessment

Take individually first, then discuss as a table.



Board Leadership & Development		SUSTAINABILITY				
Questions the Board Should Ask						
MISSION		NEVER	SOMETIMES			ALWAYS
		1	2	3	4	5
1.	Does every board member know and understand our mission statement?	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2.	Does our board regularly review the mission statement?	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3.	Does leadership integrate the mission into meetings, gatherings, and functions?	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
TARGET AUDIENCE		NEVER	SOMETIMES			ALWAYS
		1	2	3	4	5
4.	Does the board and leadership understand the needs of our target audiences?	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
5.	Does our board monitor change in target audiences?	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
6.	Have we adapted to these changes?	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
PROGRAMS		NEVER	SOMETIMES			ALWAYS
		1	2	3	4	5
7.	Does each program keep our promise to its target audience, including donors?	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
8.	Does our board review efficiency and effectiveness regarding programs and services?	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
9.	Are all programs evaluated to ensure an awareness and sensitivity to a variety of cultures?	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

<https://murdocktrust.org/app/uploads/2024/01/BLD-2024-Sust-Questions-Board-Should-Ask-fillable.pdf>





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CHARITABLE TRUST

Now: Tablework

Templates are located on the cohort landing page:

- > Access landing page
- > Click “**Tools and Templates**” jump link
- > **Section:** Sustainability

The focus for this time is:

This assessment:

Questions the Board Should Ask

[https://murdocktrust.org/app/uploads/2024/01/
BLD-2024-Sust-Questions-Board-Should-Ask-
fillable.pdf](https://murdocktrust.org/app/uploads/2024/01/BLD-2024-Sust-Questions-Board-Should-Ask-fillable.pdf)



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Strategic Planning 201:

Board's Role in Aligning Your Strategic Plan, Business Plan and Mission



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Recap: Board's Role in Strategic Planning



Simple premise



Clear benefits



Good process





Recap: Board's Role in Strategic Planning



Simple premise

- › Strategic Planning is done every year covering a three-year period.
- › As the first year is completed, a new third year is added. Always three years in view.



Clear benefits



Good process



Recap: Board's Role in Strategic Planning



Clear benefits

- › Works well for most boards and Executive Directors
- › Functions well in simple and complex settings
- › Collaborative
- › Drives strategic thinking and planning into the culture of the organization
- › Focused
- › Communicates well



Recap: Board's Role in Strategic Planning








Good process components

- › Mission, vision, and values
- › Our customers and what they value
- › Environmental scan
- › SWOT analysis
- › Trends (internal & external)
- › Assumptions
- › Visionary priorities
- › Top three to five goals for year one
- › Narrative Building
- › Board and senior team goals and dashboards
- › Rolling three-year strategic plan Document
- › Updating process



Board's Role in Strategic Planning

	A  Board as Staff	B  Board as Managers	C  Board as Directors	D  Board as Governors	E  Board as Advisors	
1	▶ Legal responsibility resides with the board	▶ Legal responsibility resides with the board	▶ Legal responsibility resides with the board	▶ Legal responsibility resides with the board	▶ Legal responsibility resides with the board	
2	▶ Reasons for organization to exist are determined by the board	▶ Reasons for organization to exist are determined by the board	▶ Reasons for organization to exist are determined by the board	▶ Reasons for organization to exist are determined by the board	▶ Reasons for organization to exist are determined by the Executive Director	▶ Board responsibilities
3	▶ Organizational long-term goals are set by the board	▶ Organizational long-term goals are set by the board	▶ Organizational long-term goals are set by the board	▶ Organizational long-term goals are set by the Executive Director	▶ Organizational long-term goals are set by the Executive Director	▶ Executive Director responsibilities
4	▶ Strategies to achieve organizational long-term goals are developed by the board	▶ Strategies to achieve organizational long-term goals are developed by the board	▶ Strategies to achieve organizational long-term goals are developed by the Executive Director	▶ Strategies to achieve organizational long-term goals are developed by the Executive Director	▶ Strategies to achieve organizational long-term goals are developed by the Executive Director	
5	▶ Day-to-day operational authority rests with the board	▶ Day-to-day operational authority rests with the Executive Director	▶ Day-to-day operational authority rests with the Executive Director	▶ Day-to-day operational authority rests with the Executive Director	▶ Day-to-day operational authority rests with the Executive Director	
6	The board spends most of its time DOING the work of the organization	The board spends most of its time SUPERVISING the work of the organization	The board spends most of its time DIRECTING the work of the organization	The board spends most of its time GOVERNING the work of the organization	The board spends most of its time AFFIRMING the work of the organization	
7	Primary board output is LABOR	Primary board output is COORDINATION	Primary board output is DIRECTION	Primary board output is COUNSEL	Primary board output is ENDORSEMENT	

These vary based upon which type of board you have. Adapted from R. Terrence Jackson (C) 2004



<https://murdocktrust.org/app/uploads/2024/05/Boards-Role-in-Strategic-Planning.pdf>



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Board's Role in Aligning the Strategic Plan, Annual Operating Plan, and Mission



Promise:
why we exist



Mission:
what we do



**Annual
Operating Plan:**
how we operate



Strategic Plan:
where we are going





Strategic Planning 201:

Steps for Strategy Formation



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Starting Strategy Formation



Strategy Formation is about making choices and deciding on an organizational focus

- › It positions your organization for greater impact



Sound Strategy Formation answers many *essential* questions

- › Every board needs answers for these questions



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Strategy Formation Questions



1

› Why does our organization exist today?

2

› What are the contributions we make and to whom?

3

› Is everything we provide still needed?

4

› Are these needs stable, growing or declining?

5

› Are other organizations meeting these needs?



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Strategy Formation Questions (cont.)



6

› What is our organization's position in the current service environment?

7

› Is our organization in the best possible position in the current environment?

8

› How will our service environment change in the next three years?

9

› What is our desired position in the future service environment?

10

› What needs to change or happen for us to reach our desired position in the future service environment?



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Organize your effort



Strategy Formation questions are complex and will take time and effort to answer well

- › Insist on thoughtful, in-depth, and clear responses
- › Choose a method to guide the development of responses and answers



We would like you to consider one method we think works well for Strategy Formation - **Narratives**



Narratives – What do we mean by it?



Summary descriptions of key elements of strategy

- > Business Environment and its changing nature
- > Organization's Current and Future position in it



Narratives are focused and concise

- > 1/2 page to one page maximum



Narratives are the result of diligent and detailed work



Narratives – Benefits



Summary in nature

- › High level, not overly detailed



Sets context well



Tells a story that is easy to connect with



Narratives – The Process



Gather the right people



Research the Narrative Topic



Garner agreement on research findings



Write a draft narrative

> Assign 1 or 2 people to do this



Finalize narrative



Narratives – The Sequence

1

› The Purpose

2

› The Current Service Environment

3

› The Current Position

4

› Future Service Environment

5

› Future Position



#1: The “Purpose” Narrative



Why does our organization exist?

- › Describe the contribution the organization brings to the world



What is our organization’s promise?

- › Describe the need the organization set out to meet



#2: Current “Service Environment” Narrative



Is what we provide still needed?

- › Gather information about current relevance/impact of programs and forces affecting them.



Is that need growing, stable, or declining?

- › What are key beneficiaries saying?
- › What are those supporting key beneficiaries saying?



Who else is meeting these needs?

- › Conduct a thoughtful competitive/comparative analysis.



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#3: Our “Current Position” Narrative



What is our organization’s position in the current environment?

- › Focuses on internal choices and their effectiveness



Is our organization positioned for success in this environment?

- › Explain “why” or “why not”



#4: Our “Future Service Environment” Narrative



How will the service environment change in the next 3 years?

- > Describe it!
- > What are we basing these observations on?
 - Actually gather supporting data.
 - What are we offering that is likely to experience increase/decrease in demand?
- > Be comprehensive in your review (any and all ways).



#5: Our “Future Position” Narrative



What is our desired position in the future service environment?

- › “Preferred Future”
- › Who is your Preferred Client/Beneficiary?
 - Why will they choose you over other options?
- › Paint a picture of strategy success



What Needs to Change?



What needs to change for us to reach our desired position in the environment 3 years from now?

- Create a working list of needed changes.
 - These changes help you move from your current position to the preferred future.
 - Confirm alignment of changes with promise and mission.



Focused Priorities

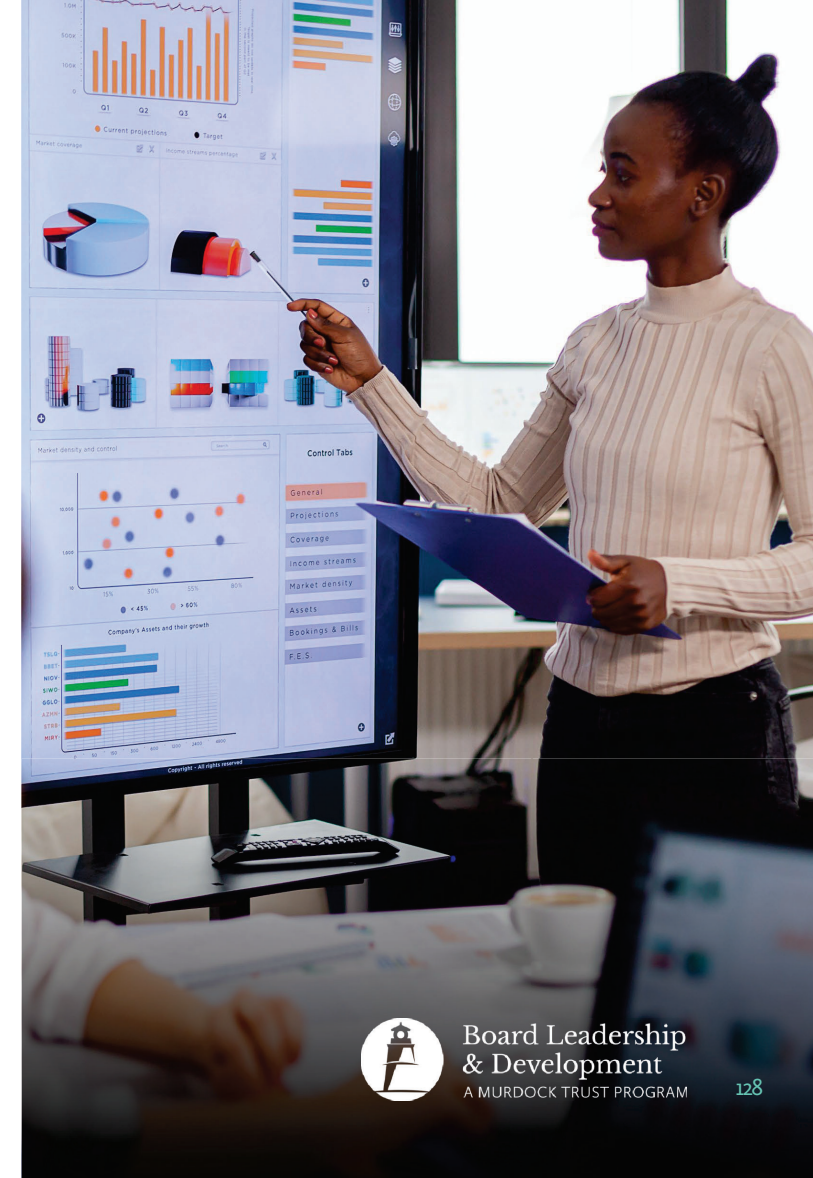


➤ **Prioritize the “what needs to change” list.**

- Consider **Impact** and **Resource** needs
 - Clients first / Staff second



➤ **Focus on the top 5 priorities to guide planning.**





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Now:
Tablework

The focus for this time is:

Slides 116-117

(Strategy Formation Questions)

&

Slides 119-129

(Writing Narratives)



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Strategic Planning 201:

Planning the Path to Execution



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Rolling Three-Year Plan Advantages



Realistic time horizon



Maintains a consistent planning window



Easy to update and modify—dynamic



Informs the current annual operations plan



Provides accountability for the future direction



Rolling Three-Year Plan Phases



Phase 1

Laying the Foundation

Transferred from
Organizational Framework

Transferred from Strategic
Formation



Phase 2

Strategic Priorities

Transferred from Strategic
Formation



Phase 3

The Working Plan

Spread out over 3 years



Rolling Three-Year Plan: Phase 1



Promise:

*Describe **WHY** the organization exists*



Mission:

*Describe **WHAT** the organization does*



Future Direction:

*Describe **WHERE** the organization is going*



Values:

*Describe **HOW** the organization will conduct itself in pursuit of the mission*



Tag Line or Slogan:

Unique identifier of the organization that speaks to the promise



Rolling Three-Year Plan: Phase 2



Strategic Next Steps:

- › Focus priorities of the organization over the next three years
- › Reviewed and updated annually



Recommendation: Limit the organization to 5 strategic next steps in any one year.



Rolling Three-Year Plan: Phase 3

Strategic Next Steps	Year 1 Goals	Year 2 Goals	Year 3 Goals	Year 4 & Beyond Goals
#1				
#2				
#3				
#4				
#5				



Rolling Three-Year Plan: Results



Answers the big questions



Guides resource allocation



Provides directions that can be implemented organization-wide



Develops outcomes for which management is responsible

[Link to template](#)



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Strategic Planning 201:

Using, Evaluating, and Updating the Plan



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Using the Plan: Implementation



1

➤ Monthly written report from the Executive Director to the board

2

➤ Progress/challenges discussed with staff frequently

3

➤ Progress/challenges discussed with the board at least twice a year, if not quarterly

4

➤ Adjustments based on new information



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Reviewing & Updating the Plan



1

Monthly Review of Plan with Staff

- › How is performance against the plan?
- › What adjustments need to be considered?

2

Semi-Annual Plan Updates with Board

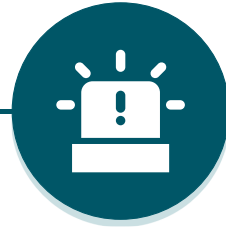
- › What are the recommendations for plan changes?
- › Assumptions, Narratives, Strategic Priorities
- › Approved by the board

3

› Tied to the board-approved annual budget



Spoiler Alert



A plan is only as effective as its
updating process





Now:
Tablework

The focus for this time is:

**Reviewing
and working
on Strategic
Planning**



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How to Utilize a Board Leadership Coach



➤ **2 Days** – *Must be concluded within 6 months of Session 2*

➤ **Goal:** *To help facilitate (some) of the Top 5 Action Steps for your Board*

➤ **What it looks like practically:**

- In-Person Option:
 - *6-8 hours of in-person*
 - *4 hours of pre-call and follow-up with ED and Board Chair, 4 hours of coach prep*
- Virtual Option:
 - *Virtual only with 3-4 time blocks (min. 2 hrs.) with ED and Board*
 - *4 hours of pre-call and follow-up with ED and Board Chair, 4 hours of coach prep*

➤ **What it's not:**

- *Billable time in 15-minute increments*
- *Consulting*



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How to Use Your Coach's Time



Have a draft of how you'd like to use your coach's time by June 28.



Here are some of the primary ways organizations have used their Murdock Trust Board Leadership & Development coach:

- › Assist in building, reviewing, and/or refining strategic plans (NOTE: Often, the coach will not have time to lead an organization in an entire strategic planning process.)
- › Assess organizational progress through the building of meaningful dashboards.
- › Provide guidance on important materials related to the Top 5 Action Steps, especially helping board members who did not attend the training to understand major pillars.
- › Prioritize board documents including job descriptions of the board and onboarding plans for new board members.
- › Can attend a regular board meeting or board retreat to observe, ask questions, and provide feedback.



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What costs are covered for a Board Leadership Coach?



- **The Murdock Trust covers the cost of:**
 - *The coach's time (professional fees)*
 - *The coach's travel and lodging expenses for a single trip*
- **An organization is welcome to include a coach in any provided meals.** Otherwise, the Murdock Trust covers the coach's meal(s) but does not subsidize a board-wide meal.
- **The Murdock Trust does not offer or cover the cost of extended coaching beyond the 2 days provided within this program.**





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**Now:
Working Lunch**

The focus for this time is:

**Finalizing Top 5 Action
Steps for Stand and
Declare**

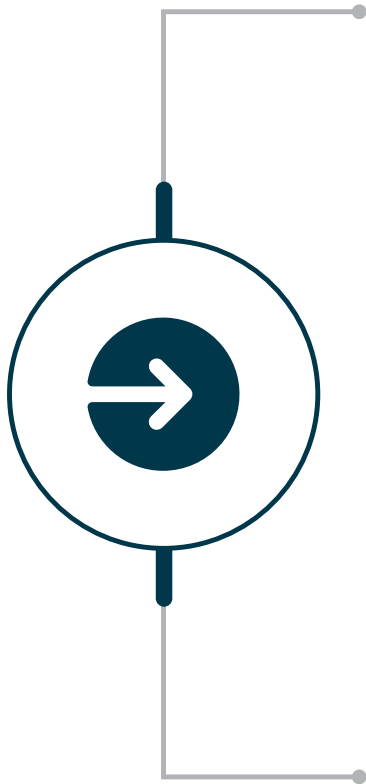
&

**Finalizing next steps
for coaching**



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Stand & Declare: Top 5 Action Steps



1 Western States Arts Federation

2 Street Roots

3 SquareOne Villages

4 Puyallup Food Bank

5 Project LEDO

6 Northwest Harvest

7 Northwest Film Forum

8 Nooksack Salmon Enhancement Association

9 Mission West Community Development Partners

10 Mazamas

11 L'Arche Tahoma Hope

12 Friends of the Children Central Oregon

13 Folio-The Seattle Athenaeum

14 Faithful Friends



Thank you!



Survey B will be sent out later today—please help us by submitting your feedback



Email your Top Five Action Steps to your coach and 'cc' boardleadership@murdocktrust.org by Friday, June 21



Have a draft of how you'd like to use your coach's time by, Friday, June 28



Questions?



Visit murdocktrust.org/boardleadership for more info



Contact us at boardleadership@murdocktrust.org





Thank you

murdocktrust.org