



Hiland *Consulting*

SIX STEPS TO UNLEASHING THE POTENTIAL OF YOUR NONPROFIT BOARD

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Six Steps to Unleashing the Potential of Your Nonprofit Board

Learn why an effective board matters to your nonprofit, the ten characteristics of an effective board, and the six steps to unleashing the full potential of your board.

Welcome! Thanks so much for downloading this free report to help you unleash the full potential of your board!

Introduction

As an executive director of a nonprofit what you do has special meaning for you personally. I understand that. I've been a nonprofit leader too – for almost 40 years – including 26 years as an executive and 16 years as a board member.

My name is Mary Hiland and over the past thirteen years I've become a trusted authority and advisor on nonprofit governance. I focus on helping executive directors unleash the potential of their board members for maximum impact. My mission is to help you develop a strong board that adds real value to your nonprofit. This report is your first step to doing just that.

You'll gain practical tips and ideas that really work. However, real growth requires more than information. My goal is to not only inform you about effective strategies, but to inspire you to use them!

Here's what you'll discover in this free report.

Part One

The five ways your board can positively benefit your nonprofit—why it matters.

Part Two

The ten characteristics of an effective board.

Part Three

The six steps to creating an effective board with specific actions you can take now!

Let's get started!



Part One: Why do boards matter?

Have you ever wondered what your life would be like if you didn't have a board of directors? I know many executives for whom this is a very appealing thought! But the truth is that a nonprofit board can make a huge positive difference in advancing a mission. When board members function at their best they collectively deliver *results* in five primary areas.

1. Better decisions

As an Executive Director you have to make important decisions that impact your organization's ability to fulfill its purpose and goals. When you have the support of a group of trusted advisors (e.g. your board members), you're able to make even better decisions. Also, an *effective* board is equipped to make good decisions that advance your organization's mission.

2. More resources

Boards have real potential (often untapped!) to expand a nonprofit's resources. An effective board understands a nonprofit's financial model and helps strengthen it by attracting a variety of important resources.

Of course, cash through fund development is very important but there are other resources too. Board members can help build social capital – that is the asset your nonprofit has by virtue of its connections and relationships.

For example, a nonprofit providing emergency housing for victims of domestic violence had a board member who was friends with an executive of a mattress company. Because of that relationship, the agency received all new mattresses for its shelter as well as some great public relations assistance from the company's professional marketing staff.

3. Community engagement

Your nonprofit has a variety of stakeholders. Effective boards create bridges to those stakeholders outside your nonprofit. Board members can be powerful conduits of interest in and support for the mission. As ambassadors and advocates for your mission, effective board members leverage your efforts and time to grow important and valuable relationships.

4. Credibility

As you are out and about in the community who you are and how you are influences how people think about your nonprofit. This is true for your board members too. And it's not just about their stature or wealth. Whether you are small or large, the quality of the leaders on your board—their character and actions—can influence your nonprofit's reputation.

5. Leadership

Perhaps the most important way that boards matter is that through leadership they create change – change that benefits the lives of people in the community. Effective boards partner with their executive directors to look into the future and imagine what can be different and better. For effective boards, that future vision drives and defines their work. Without a strong, leading board, the potential of your nonprofit for powerful impact is diminished.

Aren't these things you want for yourself and your nonprofit? Good decisions, trusted advisors who are ambassadors for your mission, and more resources? It's all possible with an effective board.

But, what does an "effective" board look like? If your board is going to produce all of these results for you at the level your nonprofit deserves it needs to have ten characteristics.



Part Two: The 10 characteristics of an effective board

1. Passion for and focus on the mission

Knowing and caring about the mission is not enough. Passion is caring *plus* energy. To be effective your board members need to focus their energy on the things that drive results. Passion and focus together also facilitate ambassadorship and ignite engagement.

2. Deep knowledge of the organization

Effective governance is not about day-to-day management but excellent boards have a realistic and up-to-date understanding of what the organization does and why. They understand the internal context – the values and philosophy that underlie what your nonprofit does day-to-day.

3. Trust

I can't emphasize enough how important trust is for your board. Actually, it's important throughout the entire organization but if you don't have it at the top it permeates everything. Strong trust is the rock-solid foundation on which an effective board is built: trust in you, trust amongst each other, trust with staff, and trust with your community.

4. A team

Many boards I see are nice groups of caring people but they are not teams. Effective boards are effective teams. Great boards don't just work on the work of the organization – they work on their relationships and building the board as a team.

5. Leadership

Leadership is exemplified on an effective board by strategic and forward thinking. It requires taking the time to frame the challenges facing the organization, not just rushing to solutions. Boards lead when they ask and take time to consider the hard questions. Boards lead when they envision a desired future and ensure resources to achieve it.

6. Shared leadership

For organizations to be effective they need leaders at every level. Boards model the way for that. An effective board creates and nurtures a

constructive partnership with the executive director. This requires a delicate balance between supporting you and holding you accountable. An effective board shares leadership by empowering key stakeholders as well.

7. Community engagement

Boards with powerful impact know who their community is and are intentional about how to connect with it. Effective boards ensure a diversity of perspectives are present and key voices are heard. They engage with the community in appropriate and inclusive ways.

8. Produce and measure results

With the executive director, effective boards define the key results your nonprofit exists to create. For the board to monitor those results, they must be measured. Effective boards know that results mean some level of change has occurred (not just activity).

9. Ensure resources

Effective boards know their responsibility to steward and grow resources and they fulfill that responsibility. They understand their nonprofit's financial model. These boards understand how mission and money are inter-related and lead with that understanding to ensure sustainability.

10. A culture of learning and adaptation

Continuous learning is not enough. Effective boards understand that you have to use what you learn. They create a culture of learning and development both for the board and the organization.

What would it mean for you if you had an effective board that fulfilled all ten of these characteristics?

Take the quiz on the next page to see how your board is doing and where it can improve.



Board Effectiveness Quiz

This quick quiz will give you a sense of how effective your board is. This is not a substitute for a good board self-assessment though. You can call me about that.

Rate your board, using a scale of 1 to 10, on these ten characteristics. A score of 10 means that your board is consistently demonstrating the characteristic and a score of 1 means you are experiencing real challenges with your board in that area.

My board has passion for and focuses on the mission. _____

My board has deep knowledge of the organization _____

My board trusts me and builds trust. _____

My board is a team. _____

My board demonstrates leadership. _____

My board shares leadership. _____

My board engages the community. _____

My board ensures we produce and measure results _____

My board ensures we have the resources we need. _____

My board has a culture of learning and adaptation. _____

My board's total score is: _____

How did you do?

Score:

85 - 100 Your board is using its potential – congratulations!

55 – 84 Your board is doing well but needs to build its potential.

30 – 54 Your board's functioning is fair. It can only get better with help!

10 - 29 Your board needs significant improvement. Get help now!



Part Three: Six Steps to Unleashing the Potential of Your Board

When I work with my clients, our first step is to identify where the greatest gaps exist between their assessment of their boards and the characteristics of effectiveness. Then we create an action plan to unleash the potential of the board to become effective in the most important areas.

If you want to speak with me privately about how I can help your board become more effective, click [here](#) to apply for a complimentary consultation with me.

Remember how important this is. We know that boards influence (positively or negatively) the performance of the nonprofits they serve. The benefits you and your nonprofit get from an effective board include: good decisions, trusted advisors who are ambassadors for your mission, more resources, increased visibility, community engagement and more!

Here are six steps you can take now to begin unleashing the potential of your board to develop all ten characteristics of effectiveness.



Step One: Know your “why” and commit to change.

The first step is for you to do some reflection on the results of your assessment of your board on the ten characteristics. Motivation for change comes from a compelling “why”. What will it mean for your nonprofit if the board improves in each of the areas you have selected? Also, consider: what’s in it for the board - as a whole *and* for individual board members? What will it mean for you?

It is important for you to think this through so you are prepared to make the case for change as you move to the next step.



Step Two: Meet with the board chair.

You probably have already experienced how the board chair influences the board. My research shows that real change on a board is on hold until your board chair is “on board” with it. As the Executive Director you won’t be able to drive board change alone. Your next step is to meet with your board chair to share what you have learned: why an effective board is important and the ten characteristics of an effective board. Discuss together your views of how the board is doing.

Communication can be difficult between the Executive Director and the board chair. This is where it can really help to have a third party bringing outside expertise and/or someone you can partner with and talk to about your challenges with the board chair. The quality of the relationship you have with the board chair will influence how fast and how far you can go. This is something I help my clients with. (You may want to take advantage of a free consultation with me to discuss how—apply [here](#).)



Step Three: Engage board members to do a self-assessment.

With the board chair, decide on the strategies you will use to engage the board in an assessment process. There are lots of options but keep in mind that you want an approach that focuses the board on how it is doing in the ten areas of effectiveness. (I have created an in-depth but quick and easy-to-use assessment. If you want to learn more contact me for a free consultation. Apply [here](#).)

It works well if you have a board committee in place that can analyze the results and report back to the board to discuss them. Once the board has completed the assessment and knows the results, you are ready for the next step.



Step Four: Tap board structure for leadership to create an action plan.

Your next step is to engage the leadership of an existing board committee to address the areas the board has chosen to work on. This may naturally be the committee that worked with the assessment results. Working through your Governance or Board Development Committee is very important. That Committee is charged with (or should be) providing board education, conducting board assessment and board development. This group provides a structure, as well as additional person-power, for creating the plan of action and bringing it to the board for approval.

Once the plan is in place you are ready for Step Five.



Step Five: Implement the plan and celebrate success

The fifth step is to implement the board development plan. Maintain momentum by identifying small successes as you go along and making sure board members are celebrating them. Also, be sure individual board members are recognized for their efforts.



Step Six: Get needed support

No matter which characteristics of an effective board you and your board are working on improving, you will need resources and support as you go along. The board may need training in a particular area re: what we know works. They may need some coaching from someone with expertise. You will all need support and encouragement.

You deserve a great board and you can be a catalyst for board improvement. If you want to get crystal clear about how effective your board is and how to unleash its full potential, then [apply](#) for a complimentary consultation to speak with me privately.

Together we will:

- Create a clear vision of what an effective board looks like for you.
- Discover the challenges that are stopping you from having a more effective board.
- Learn the action steps to take now.
- Learn what we can do together to unleash the potential of your board.

Most boards have untapped potential. You deserve a great board and you can be the catalyst for board improvement. I hope these Six Steps to Unleashing the Potential of your Board give you clarity about how to start.

About Mary Hiland

Mary Hiland, Ph.D. has forty years of experience in the nonprofit sector – both as an executive (26 years) and a board member (16 years). After leading two mergers, her executive experience resulted in her being the CEO of a nonprofit with 530 employees. Mary has been consulting with and coaching nonprofit leaders for 13 years, focusing on strengthening nonprofit executive and board teams for community impact.



Mary has a Ph.D. with a focus on nonprofit leadership and governance and three Masters' degrees. She is a published author, speaker, and researcher. Mary has received numerous honors including Tribute to Women in Industry and the Silicon Valley Excellence in Nonprofit Leadership Award.

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Apply for your free consultation here:

