DOWNLOAD PDF WORKING WITH THE BOARD OF DIRECTORS

Chapter 1 : Establishing and Working With Your Board of Directors - Edward Lowe Foundation

As any nonprofit director will tell you, it's not just employees with whom it is essential to maintain a positive working relationship. To function as an effective executive in a nonprofit organization, you must learn to balance your day-to-day leadership duties with your accountability to the board of directors.

Not only will a dysfunctional board of directors often fail to make decisions that are in the best interest of the organization, its dysfunction has the potential to move outside the confines of the boardroom, causing negative publicity. Knowing the signs of a dysfunctional board of directors will help you fix the board before larger problems occur. Lack of Confidentiality Much of what the board of directors discusses should be kept within the organization. When board members do not keep this information confidential, problems often ensue. Members of the board may think they are simply sharing the information with close friends, but it could be misconstrued and released to stockholders, causing undue stress, or shared with competing organizations. Leaking information is a sign of dysfunction within a board. Conflicting Agendas Board members need to be on the same page when it comes to the future of an organization and its initiatives. If board members have conflicting agendas related to the direction of the organization, it will be hard for the board to make decisions. In addition to being on the same page as one another, board members must also be on the same page as the head of the organization. Lack of Order Meetings involving the board of directors should function in an orderly manner. If board members quickly jump from topic to topic, argue with one another or fail to discuss the most important matters at hand, the board is dysfunctional. Board meetings should contain a designated leader and an agenda to make them productive. Lack of Respect Occasionally board members experience a lack of respect for the CEO of a company and vice versa. This often happens when board members have been in place for a long time and a new CEO enters the company. All parties must develop respect for one another based on their common interest in working for the good of the organization in order to keep the board from becoming dysfunctional. A lack of respect between new and older board members or factions is a sign that there might be dysfunctionality within the board. Hostile Environment A meeting of the board of directors can be a hostile environment, particularly when board members do not get along with one another. This type of environment stifles productivity and prevents board members from sharing constructive opinions. A meeting may become a venue for personal attacks rather than for focusing on coming to business decisions or providing constructive discourse. Secret Meetings While some information the board discusses should remain confidential, organizations should become concerned if a board of directors regularly holds secret meetings or meet on an unofficial basis. Not only may some board members be left out of these meetings, but decisions could be made without the input of crucial members of the organization, or with unethical motives. Personal and Political Agendas Board members should not allow personal and political agendas to cloud their decision-making. If board members continually propose moves that would benefit them personally or take a political stance, the image of the company could be compromised. Personal and political agendas also lead to more disagreements among board members, and they are indicative of a dysfunctional board. Lack of Trust Employees in an organization must trust the board of directors in order for it to be functional. If the majority of employees do not trust members of the board, the advice and decisions the board makes may be ignored or may lead to high turnover rates within the company, among other things. Dominating Members Members of a board of directors should work as a team to make decisions to benefit the organization. This may involve harassment of other board members, talking loudly to dominate the conversation or immediately shooting down any dissenting opinions. Nonparticipants Some board members sit on a board only for the prestige of the position. These members may attend meetings but rarely speak or offer any opinions on decisions. Those who refuse to participate in the conversation may be as damaging as members who control the conversation and take up space that could be filled by members who work to advance the organization. Too many nonparticipants around a board table spells "dysfunctional.

Chapter 2 : All About Boards of Directors (For-Profit and Nonprofit)

Once you have recruited or re-structured your board of directors as part of the financing, make sure to establish a good working relationship with them. Board meetings with your directors You must hold regular board meetings to discuss the business of your company.

Typical duties of boards of directors include: For companies with publicly trading stock , these responsibilities are typically much more rigorous and complex than for those of other types. Typically, the board chooses one of its members to be the chairman often now called the "chair" or "chairperson" , who holds whatever title is specified in the by-laws or articles of association. However, in membership organizations, the members elect the president of the organization and the president becomes the board chair, unless the by-laws say otherwise. Several specific terms categorize directors by the presence or absence of their other relationships to the organization. Typical inside directors are: Other executives of the organization, such as its chief financial officer CFO or executive vice president Large shareholders who may or may not also be employees or officers Representatives of other stakeholders such as labor unions, major lenders, or members of the community in which the organization is located An inside director who is employed as a manager or executive of the organization is sometimes referred to as an executive director not to be confused with the title executive director sometimes used for the CEO position in some organizations. Executive directors often have a specified area of responsibility in the organization, such as finance, marketing, human resources, or production. Independent director An outside director is a member of the board who is not otherwise employed by or engaged with the organization, and does not represent any of its stakeholders. A typical example is a director who is president of a firm in a different industry. Outside directors bring outside experience and perspectives to the board. For example, for a company that only serves a domestic market, the presence of CEOs from global multinational corporations as outside directors can help to provide insights on export and import opportunities and international trade options. One of the arguments for having outside directors is that they can keep a watchful eye on the inside directors and on the way the organization is run. Outside directors are unlikely to tolerate "insider dealing" between insider directors, as outside directors do not benefit from the company or organization. Outside directors are often useful in handling disputes between inside directors, or between shareholders and the board. They are thought to be advantageous because they can be objective and present little risk of conflict of interest. Terminology [edit] Director â€” a person appointed to serve on the board of an organization, such as an institution or business. Inside director â€” a director who, in addition to serving on the board, has a meaningful connection to the organization Outside director â€” a director who, other than serving on the board, has no meaningful connections to the organization Executive director â€” an inside director who is also an executive with the organization. This situation can have important corporate, social, economic, and legal consequences, and has been the subject of significant research. The examples and perspective in this section deal primarily with the United States and do not represent a worldwide view of the subject. You may improve this article , discuss the issue on the talk page , or create a new article , as appropriate. May Learn how and when to remove this template message The process for running a board, sometimes called the board process , includes the selection of board members, the setting of clear board objectives, the dissemination of documents or board package to the board members, the collaborative creation of an agenda for the meeting, the creation and follow-up of assigned action items , and the assessment of the board process through standardized assessments of board members, owners, and CEOs. Board meetings[edit] A board of directors conducts its meetings according to the rules and procedures contained in its governing documents. These procedures may allow the board to conduct its business by conference call or other electronic means. For example, the nature of the business entity may be one that is traded on a public market public company , not traded on a public market a private, limited or closely held company , owned by family members a family business , or exempt from income taxes a non-profit, not for profit, or tax-exempt entity. There are numerous types of business entities available throughout the world such as a corporation, limited liability company, cooperative, business trust, partnership, private limited company, and public limited company. Much of what has been written about boards of directors relates to boards of directors of business entities actively traded on public markets. A difference may be that the membership elects the officers of the organization, such as the president and the secretary, and the officers become members of the board in addition to the directors and retain those duties on the board. These ex-officio members have all the same rights as the other board members. Details on how they can be removed are usually provided in the bylaws. Governance[edit] Theoretically, the control of a company is divided between two bodies: In practice, the amount of power exercised by the board varies with the type of company. In small private companies, the directors and the shareholders are normally the same people, and thus there is no real division of power. Larger institutional investors also grant the board proxies. The large number of shareholders also makes it hard for them to organize. However, there have been moves recently to try to increase shareholder activism among both institutional investors and individuals with small shareholdings. As a practical matter, executives even choose the directors, with shareholders normally following management recommendations and voting for them. In most cases, serving on a board is not a career unto itself. For major corporations, the board members are usually professionals or leaders in their field. In the case of outside directors, they are often senior leaders of other organizations. Nevertheless, board members often receive remunerations amounting to hundreds of thousands of dollars per year since they often sit on the boards of several companies. Inside directors are usually not paid for sitting on a board, but the duty is instead considered part of their larger job description. Outside directors are usually paid for their services. These remunerations vary between corporations, but usually consist of a yearly or monthly salary, additional compensation for each meeting attended, stock options, and various other benefits. In these countries, the CEO chief executive or managing director presides over the executive board and the chairman presides over the supervisory board, and these two roles will always be held by different people. This ensures a distinction between management by the executive board and governance by the supervisory board and allows for clear lines of authority. The aim is to prevent a conflict of interest and too much power being concentrated in the hands of one person. There is a strong parallel here with the structure of government, which tends to separate the political cabinet from the management civil service. The examples and perspective in this section deal primarily with the United Kingdom and do not represent a worldwide view of the subject. Until the end of the 19th century, it seems to have been generally assumed that the general meeting of all shareholders was the supreme organ of a company, and that the board of directors merely acted as an agent of the company subject to the control of the shareholders in general meeting. The articles were held to constitute a contract by which the members had agreed that "the directors and the directors alone shall manage. Under English law, successive versions of Table A have reinforced the norm that, unless the directors are acting contrary to the law or the provisions of the Articles, the powers of conducting the management and affairs of the company are vested in them. A company is an entity distinct alike from its shareholders and its directors. Some of its powers may, according to its articles, be exercised by directors, certain other powers may be reserved for the shareholders in general meeting. If powers of management are vested in the directors, they and they alone can exercise these powers. The only way in which the general body of shareholders can control the exercise of powers by the articles in the directors is by altering the articles, or, if opportunity arises under the articles, by refusing to re-elect the directors of whose actions they disapprove. They cannot themselves usurp the powers which by the articles are vested in the directors any more than the directors can usurp the powers vested by the articles in the general body of shareholders. It has been remarked[by whom? May Learn how and when to remove this template message In most legal systems, the appointment and removal of directors is voted upon by the shareholders in general meeting [a] or through a proxy statement. For publicly traded companies in the U. In some legal systems, directors may also be removed by a resolution of the remaining directors in some countries they may only do so "with cause"; in others the power is unrestricted. Some jurisdictions also permit the board of directors to appoint directors, either to fill a vacancy which arises on resignation or death, or as an addition to the existing directors. In many legal systems, the director has a right to receive special notice of any resolution to remove him or her; [b] the company must often supply a copy of the proposal to the director, who is usually entitled to be heard by the meeting. Also, directors received fewer votes when they did not regularly attend board meetings or received negative recommendations from a proxy advisory firm. The study also shows that companies often improve their corporate governance by removing poison pills or classified boards and by reducing excessive CEO pay after their directors receive low shareholder support. In , the New York Times noted that several directors who had overseen companies which had failed in the financial crisis of â€” had found new positions as directors. Most legal systems require sufficient notice to be given to all directors of these meetings, and that a quorum must be present before any business may be conducted. Usually, a meeting which is held without notice having been given is still valid if all of the directors attend, but it has been held that a failure to give notice may negate resolutions passed at a meeting, because the persuasive oratory of a minority of directors might have persuaded the majority to change their minds and vote otherwise. The duties imposed on directors are fiduciary duties, similar to those that the law imposes on those in similar positions of trust: The duties apply to each director separately, while the powers apply to the board jointly. Also, the duties are owed to the company itself, and not to any other entity. Greater difficulties arise where the director, while acting in good faith, is serving a purpose that is not regarded by the law as proper. The case concerned the power of the directors to issue new shares. But if the sole purpose was to destroy a voting majority, or block a takeover bid, that would be an improper purpose. Not all jurisdictions recognised the "proper purpose" duty as separate from the "good faith" duty however. This does not mean, however, that the board cannot agree to the company entering into a contract which binds the company to a certain course, even if certain actions in that course will require further board approval. The company remains bound, but the directors retain the discretion to vote against taking the future actions although that may involve a breach by the company of the contract that the board previously approved. The law takes the view that good faith must not only be done, but must be manifestly seen to be done, and zealously patrols the conduct of directors in this regard; and will not allow directors to escape liability by asserting that his decision was in fact well founded. Traditionally, the law has divided conflicts of duty and interest into three sub-categories. This rule is so strictly enforced that, even where the conflict of interest or conflict of duty is purely hypothetical, the directors can be forced to disgorge all personal gains arising from it. Such agents have duties to discharge of a fiduciary nature towards their principal. And it is a rule of universal application that no one, having such duties to discharge, shall be allowed to enter into engagements in which he has, or can have, a personal interest conflicting or which possibly may conflict, with the interests of those whom he is bound to protect So strictly is this principle adhered to that no question is allowed to be raised as to the fairness or unfairness of the contract entered into In many countries, there is also a statutory duty to declare interests in relation to any transactions, and the director can be fined for failing to make disclosure. This prohibition is much less flexible than the prohibition against the transactions with the company, and attempts to circumvent it using provisions in the articles have met with limited success. In Regal Hastings Ltd v Gulliver [] All ER the House of Lords, in upholding what was regarded as a wholly unmeritorious claim by the shareholders, [h] held that: The decision has been followed in several subsequent cases, [47] and is now regarded as settled law. Competing with the company[edit] Directors cannot compete directly with the company without a conflict of interest arising. Similarly, they should not act as directors of competing companies, as their duties to each company would then conflict with each other. Common law duties of care and skill[edit] Traditionally, the level of care and skill which has to be demonstrated by a director has been framed largely with reference to the non-executive director. However, a more modern approach has since developed, and in Dorchester Finance Co Ltd v Stebbing [] BCLC the court held that the rule in Equitable Fire related only to skill, and not to diligence. With respect to diligence, what was required was:

Chapter 3 : Working With the Board of Directors

Editor's note: This guest post was written by Len Jordan, who is a venture partner at Madrona Venture Group and currently holds board seats at companies like Cedexis, MaxPoint Interactive, Zapd.

Stick to the basics The best way to manage your board is to do a great job managing your company. Never forget, the success of the company is the most important goal and the one that the board cares about the most. Build a great board Populate your board with people who you believe can really help you. Look for shared interests and philosophies, but embrace differences as well. Know your weaknesses and select board members who will help guide you in those areas. When you raise money, the board member who comes with the money is as important as the money. Communicate Formally, informally, collectively, and individually, communication is essential. Surprises are frequently fatal so avoid them with communication. When communication wanes, the board sees a red flag. Learnings gleaned from this access to staff can inform important decisions. Get and keep your hands dirty If you tell your board you have lost a deal, make sure you have been there. If you have won a deal, make sure your fingerprints are on it. You need to be intricately involved in your company. This is one of the great benefits, beyond capital, that a VC firm brings to an early-stage company. Make BOD meetings matter During board meetings, be in control. Remember what you said last time and demonstrate progression. Know where the meat is and get to it fast. Never put yourself or the company in this position. Push Back Sometimes directors have stupid ideas and give bad advice. Be open to different perspectives, but have the guts to push back, and do so, when it makes sense. Ensure you have at least one unwavering relationship with at least one director with whom you can confide during the most difficult decisions. People have memories, so execute, measure and demonstrate performance on a regular basis. If a challenge appears declare it quickly, design an action plan and execute to avoid failure. Have a genuine commitment to your work, and show the board the fire in your belly. You will best manage your board by carefully selecting board members with whom you believe will help you achieve the success the success that you and your company are destined for.

Chapter 4 : Board of Directors - MENTOR

By Rebecca Reynolds This is a big topic - one I was discussing over dinner with an executive director friend recently. First of all, the terms "working" and "governing" are a bit slippery and then, putting them as opposites or a binary choice is a problem.

This development reflects both hopes and doubts about the nonprofit board. On the one hand, boards are touted as a decisive force for ensuring the accountability of nonprofit organizations. On the other hand, the board is widely regarded as a problematic institution. All institutions, after all, have their failures. Perhaps more worrisome is the widespread sense that underperforming boards are the norm, not the exception. After contributing to these board-improvement efforts for over two decades, as both researchers and consultants, we have recently looked afresh at the challenge of improving nonprofit boards as part of the Governance Futures project. Although it ultimately intends to generate new and practical design strategies, we have focused first on the problems of the boardâ€"on the theory that a better framing of the problem will lead to better responses. Through dialogue with practitioners, a review of the literature on nonprofit governance, and the application of various intellectual frameworks from organizational behavior to sociology , we have begun to see the cottage industry of board improvement in a new light. Most importantly, we have concluded that we have been working on the wrong problem. Problems of Performance The problem with boards has largely been understood as a problem of performance. Judging from our recent discussions and interviews with board members, executives, and consultants, three board-performance problems appear most prevalent. First, dysfunctional group dynamicsâ€"rivalries, domination of the many by the few, bad communication, and bad chemistryâ€"impede collective deliberation and decision making. Second, too many board members are disengaged. Third, and most important, board members are often uncertain of their roles and responsibilities. Scores of analysts have addressed this problem and, in response, offered one version or another of an official job description for the board. The vast, prescriptive literature can fairly be distilled into five functions: Monitor management, and hold it accountable for performance. Select, evaluate, support, and, if necessary, replace the executive director or CEO. Serve as a bridge and buffer between the organization and its environment, advocating for the organization and building support in its wider community. The roles-and-responsibilities conception of board performance has obvious appeal. With a problem defined as ignorance, the solution becomes knowledge. And since we already possessâ€"in the form of official job descriptionsâ€"the knowledge that boards need, we need only disseminate that knowledge to unenlightened trustees to cure the problem. The expectation is that we can train our way out of board problems. Behind these problems of performance, however, looms another, more fundamental problem: Some advocates of a roles-and-responsibilities approach inadvertently acknowledge this problem when they reason that, since the board endures as an institution, it must be important. It will therefore be useful to assess the reasons why boards are important. If the board is so important, why do we need a whole literature to explain why this is so? This question raises another: What if the central problem plaguing boards is not ignorance about important roles and responsibilities but lack of a compelling purpose in the first place? Problems of Purpose We can approach the problem of purpose in two ways. We can attempt to expose the board as an irrelevant institution constructed around a set of hollow roles and responsibilities. Or, as we prefer, we can ask whether the purposes now ascribed to boards might be necessary, but insufficient, to sustain engaged and effective service by nonprofit board members. Even this approach, however, requires some reflection on the problem of purpose. We start with three causes of the problem. But a job predicated on legal accountability is, almost by definition, not a compelling job. To ensure this accountability, boards focus on norms and standards of minimally acceptable behavior. Trustees are tasked to prevent trouble more than promote success. This approach places board members in a position akin to that of the maligned substitute teacher. As an institution,the substitute teacher works effectively. The device assures school administrators and parents that children who might otherwise run amok will remain under control. But the job of the substitute teacher is singularly unattractive. Adherence to minimum standardsâ€"not trying to teach but merely trying to keep orderâ€”is as or more challenging than actually teaching. It is also far less rewarding. So it is with board members. What we have essentially asked is that trustees keep order. Why not concede that boards do unglamorous but essential work and get on with it? The reason lies again in the paradox of substitute teaching. The teacher who educates children actually stands a better chance of keeping order than the teacher required only to keep order. Similarly, the board that is expected to improve organizational performance also stands a better chance of ensuring accountability. By focusing primarily on accountability, we have created a job without a compelling purpose. As a result, board members become disengaged. And the more disengaged they are, the less likely trustees are to ensure accountabilityâ€”the very reason we created boards in the first place. By asking for a little, we get even less. The problem is not that the board is some pointless appendage that renders board members inconsequential. To the contrary, the board, as an institution, is so important and effective that it can sometimes function almost without regard to the effort of individual board members. In that sense, a board may be more like a heartâ€”too vital to rely on conscious effort to perform. Consider four cases where the board can perform well and thus leave board members little to do. First, boards provide legitimacy for their organizations. They merely confer it. Presumably, a more curious or inquisitive board will compel managers to be better sense-makers, but the mere occasion of board meetings goes a long way by itself. The board, as an entity, also encourages vigilance by managers. Ever mindful of the possibility of being stung, the CEO remains vigilant. As that image suggests, even random, annoying activity can be sufficient to keep managers alert. The flurry of activity alone has important effects. The board assumes the ultimate legal responsibility. As trustees attempt to define the purpose of a body that in some ways requires little of them, they face something of the predicament of a monarch in a modern, democratically governed state. The monarchy helps to create a national identity, reassuring and unifying the country especially in times of crisis , marking important events through ceremony, and, not least, developing the tourism economy. Board members face the same challenge. If they rely on the institution of the board to generate meaningful work, they are likely to be disappointed. Important Work Is Episodic. Sometimes boards resemble neither substitute teachers nor modern monarchs. Under these circumstances, such as hiring a CEO, considering a merger, deciding whether to expand or eliminate programs, or dealing with a financial crisis or personnel scandal, boards are called on to be diligent and purposeful. We tend to take little account of the fact that important board work can be highly episodic. Board members meet at regularly prescribed intervals, even when there is no urgent work to do. In response to this demand for strategic content, staff may begin to inflate routine issues into questions of strategy. Board members and staff alike soon begin to equate meeting with governing. And when the important work that boards sometimes do remains undifferentiated from the mundane or even contrived work that comes in the intervals, the important work becomes devalued. Encouraged to go through the motions, board members are frequently driven to ask the ultimate question of purpose: Why am I here? But the rise of professional nonprofit management has discouragedâ€”though not eliminatedâ€—that practice. The modern consensus is that nonprofit organizations do not need boards to manage operations. But does it follow that nonprofits need boards to govern every time they convene, even when there are no strategic imperatives to decide? In most fields where important work is episodic, practitioners do not insist otherwise. A firefighting company, for example, spends only a small fraction of its time actually fighting fires. Some time is devoted to training; some is used to maintain equipment; some is spent on fire prevention; and some is simply spent waitingâ€” cooking, eating, watching television, and informally strengthening the camaraderie of the group. Instead of making the preposterous claim that a fire company is always fighting fires, fire departments put down time to good use. What do boards do with their down time? In practice, of course, we know that boards do more than govern in formal board meetings. What would be the single gravest consequence to your organization if the board did not meet or conduct board business in any way for a two-year period? In response, board members said the organization would suffer the loss of fundraising capacity, loss of good advice or expertise, and loss of contacts in the community. Though these assets certainly help nonprofits, and may improve organizational performance, they are not governing per se, and they are not always developed or delivered during formal meetings. They are downtime activities that boards pursue when they are not called upon to govern. If boards approached the question of how to use down time explicitly, rather than lament the absence of a perpetually strategic agenda, they might, in fact, become more valuable assets to their organizations. Specifically, board members might tackle the question of what constitutes effective preparation or readiness to govern. In lieu of formal board training events at long intervals, boards could construe learning about their communities or constituencies as vital, continuous preparation for governing. Instead of merely recruiting members who appear to be well informed, organizations could use their meetings to promote learning by all board members. Board members could construct and pursue a learning agenda through field work, meetings with other boards, or extended interaction with constituents. By learning as a board, the board would have a deeper and shared body of knowledge available when the time comes for important decisions. If board members are not simply uninformed about their roles and responsibilities but are struggling to find meaningful work in an institution beset by problems of purpose, then what kind of board-improvement strategies do we need?

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Chapter 5 : 4 - Working with a Board of Directors - Leading a Nonprofit Organization

"Establishing and Working With Your Board of Directors" Shrewd, reliable advice takes on more importance when your company reaches a development crisis. An outside board of directors can bring you experience, expertise and guidance to see you through a fiscal emergency or a growth surge.

Dave is an accomplished executive and visionary in the business management, public sector and higher education software industries. Aneel has been a leader, product visionary, and innovator in the enterprise software industry for more than 20 years. In addition to his role at Workday, Aneel serves on the board of Intel and is an advisory partner at Greylock, a leading venture capital firm that he has been associated with since Before co-founding Workday in , Aneel held a number of leadership positions at PeopleSoft, including senior vice president responsible for product strategy, business development and marketing, and vice chairman of the board. He is a Crown Fellow at the Aspen Institute. George brings to the board financial and investing acumen gained through his many years as a managing partner at Norwest Venture Partners NVP , a global venture capital firm. From to December , Mr. George led the sole venture investment in PeopleSoft, where he served on the board of directors from to George currently serves on the boards at Rackspace Hosting and various private companies. Previously, from to , Mike served as president and chief operating officer. Prior to joining Workday in , Mike was a partner at Greylock Partners, where he focused on the next generation of enterprise technologies. Mike began a nine-year career at PeopleSoft starting in , where he held various general management and sales management roles, including senior vice president of North American sales. Mike has served on the board of directors of Code42 since Skip brings to the board a diversity of distinguished experiences and seasoned business acumen. His service as a director at a number of public and private organizations provides Workday with an important perspective on corporate governance matters, including company best practices. Skip was on the board of directors at PeopleSoft from to , was previously a director at Advent Software and Barra, and has served as a board member or trustee at a number of educational and non-profit organizations. He is a senior moderator at the Aspen Institute. Christa brings to the board financial expertise and extensive experience in the software and technology industries. Christa is chief financial officer and executive vice president of global finance at Aon, a global risk management, insurance, and human resources solutions company, roles she has held at Aon since and , respectively. Carl brings to the board over 30 years of operational and sales experience in the technology industry and deep knowledge of high-growth companies. Carl is also a member of the board of directors of Palo Alto Networks, Inc. Mike brings to the board extensive leadership and experience managing international operations. As the CEO of a large global company, Mike provides Workday with a management perspective on business and strategic decisions. Mike has served as CEO at Flextronics since From until his appointment as CEO, Mike held a variety of senior roles at Flextronics, including chief operating officer, president of Americas operations, and vice president of North American operations. Mike has been on the board of directors at Flextronics since Lee brings to the board deep expertise as chairman and CEO of a global company as well as diverse leadership experience serving across multiple corporate, governmental, and education-related boards and councils. Today Altec has products and services in more than countries throughout the world. Jerry brings to the board deep experience building technology products used by millions of people around the world as well as leadership experience with global organizations, particularly in markets throughout Asia. Prior, Jerry co-founded Yahoo! Yahoo Japan and Alibaba Group. Jerry holds a Master of Science degree and Bachelor of Science degree in electrical engineering from Stanford University.

Chapter 6 : Boards, Working with | Energize: Volunteer Management Resources for Directors of Volunteers

Learn to thrive at the C-level and move beyond the marketing department by building better relationships with the C-suite, CEO, and board of directors.

She is a financial expert with international experience and Board experience. EY is undergoing a digital and automation transformation and its people and talent systems are at the heart of it. Nancy received a Bachelor of Science degree from Fairfield University. Nancy and her husband Joel divide their time between Greenwich, Connecticut and Boston, Massachusetts. In his role, Anguilla oversees all aspects of communications, brand and public affairs â€" including media relations, corporate communications, government relations and philanthropy â€" for the firm and its affiliated business units. Prior to joining Bain Capital , Anguilla worked at Bank of America for more than eight years in a variety of communications roles. Earlier in his career, Anguilla was press secretary to U. Kennedy of Rhode Island. The National Mentoring Partnership, a nonprofit organization focused on improving the quality and quantity of mentoring relationships for American youth. Boisi is chairman and CEO of Roundtable Investment Partners LLC, an independent private investment partnership providing strategic advice and planning, investment management, and merchant banking services for families of substantial wealth as well as select institutions generating high performance wealth creation and social legacy-building opportunities. Prior to joining JPMorgan Chase, Boisi was founding chairman and senior partner of The Beacon Group, a premier merger and acquisition advisory and private investment firm, which was acquired by Chase in July In addition, Boisi held numerous other positions during his 22 years at Goldman Sachs, including: The National Mentoring Partnership. He is also the recipient of an honorary Doctor of Humane Letters degree from Sacred Heart University as well as the Lewis Hine Distinguished Service Award for outstanding service on behalf of children. A strong believer in the benefits of mentoring, Kooyker is committed to advocating mentoring programs to assist our youth. Beginning his trading career in with Internatio-Muller in Rotterdam, The Netherlands, he was soon transferred to their New York office, and eventually became managing director of the International Trading Group. Kooyker began a new venture, Tricon Holding Company, Ltd. When SVB was bought by Fulton Financial Corporation in , Kooyker became a member of their board of directors, and served on the audit committee and risk committee until Dave Bordeau Berkshire Partners. His most recent board involvement has included Implus; a designer and distributor of athletic accessories; SRS, a distributor of roofing supplies; and Rockport, a footwear provider. Dave joined Berkshire Partners in He also serves on the Corporation of Belmont Hill School, and formerly served on the Board of Directors of Giving Opportunities To Others, a nonprofit organization that helps underprivileged youth attend summer arts camp. Kelem is actively involved in Uptown, his neighborhood in Dallas. He is a board member of Uptown Dallas, Inc. He is also actively involved as a volunteer with Wesleyan University, his alma mater. He enjoys spending time with his girlfriend of 22 years, their two bulldogs, reading, and watching football, especially Penn State. The organization provides academic mentoring, social guidance and college scholarships for students from lower-income families throughout the nation. Carr is the founder and was chief executive officer of Heartland Payment Systems, a debit and credit card transaction company recently acquired by Global Payments. To be eligible for a scholarship from Give Back, students must qualify for a federal Pell Grant, typically for households in the lower 40 percent of income. Graduates of the Give Back program are now pursuing careers in medicine, law, business and education, among other fields. She is known there, and in her various communities, as a thoughtful and strategic leader, experienced in leading change and building teams, and a steward for the future. She has served both public and private company clients, in several industries. Throughout her career, Hollister has held leadership roles as both a national and a local Cincinnati client service partner. She is an active volunteer and board member for several organizations and community and professional initiatives. Hollister is a graduate of Duke University B. Most importantly, Hollister and her husband Brad, who is a physician, are proud parents of two boys, Ryan age 23 and Luke age She says her passion is helping others to reach their potential, lead and make an impact, since so many at Deloitte and elsewhere have done the same for her. During his nearly 10 years working in HIV Commercial Development and Marketing, Sean led teams that introduced 5 new HIV treatments, as well as patient education and advocacy programs that helped to shift HIV from to a chronically manageable disease. Sean lends his time, skills and resources to a number of social, cultural and academic organizations. However, few things give Sean a greater sense of purpose than mentoring. Sean serves as a sponsor for two high potential colleague development programs at Pfizer. He is an Executive Mentor for the Morehouse College Division of Economics and Business Administration, and actively mentors college-bound high school students, current college students and recent college graduates. She lives in Miami, Florida with her family. Lang is a tireless advocate and fundraiser for education. She has also held positions at Technimetrics, Inc in New York City, where she sold global shareholder databases of institutional investors and brokers to public companies, and Manufacturers Hanover Trust, also in New York City, where she sourced and managed lending relationships with large and middle market companies in the Mid-Atlantic states. Lang currently lives in Morristown, NJ with her husband Wes. They have four daughters. Mendell is a Private Investor and on the boards of directors of several private companies. Mendell is a graduate of Harvard University M. GAA is a leading private real estate investment and advisory firm. Prior to founding GAA, Pemberton served as Managing Director of a regional boutique real estate investment firm, where he oversaw research, portfolio management and capital raising activities. SCG , a global investment and research organization. There he held several positions of increasing responsibility including: Pemberton has served on the Board of several organizations including: The National Mentoring Partnership, the unifying champion for expanding quality youth mentoring relationships in the United States. Since then, the number of mentoring relationships has grown from , to more than four million. In addition, the U. The organization advances quality mentoring by bridging research to practice, and developing and delivering standards, training and state-of-the-art tools. MENTOR carries out this work in collaboration with its national network of affiliate Mentoring Partnerships and more than 5, mentoring programs and volunteer centers in all 50 states. MENTOR works extensively across the private, public and nonprofit sectors to ensure that young people have the support they need through mentoring relationships to succeed at home, school and, ultimately, work. The number of young people matched increased by almost 50 percent during Mr. He was selected for the Barr Foundation Fellowship. Shapiro is a husband, father of two sons, and mentor. Before joining NCR, Mr. Sobel joined Symbol following 6 years at Net2Phone, Inc. The Foundation assists entities that encourage mentoring relationships, are creating unique entrepreneurial opportunities, and promoting national and local participation in voluntary community programs and services. It has recently expanded into the international arena and engages in work to promote the Millennium Development Goals and halve the number of people living in extreme poverty by , with a particular focus on ending deaths from malaria. She is co-founder of Jersey Cares, which organizes teams of socially-minded individuals for community service projects. She resides in Chatham, NJ with her husband and two children. Sullivan manages strategic relationships with philanthropic partners addressing pressing issues of workforce and education, community development, and basic needs. With more than 25 years of experience, Sullivan is recognized as an expert in the field of charitable giving. Under her leadership, the Lloyd G. She resides in Sudbury, MA with her husband and has two daughters. The two organizations formed a partnership to provide girls and young women both in-school and out-of-school opportunities to develop, practice and improve relationship skills, responsibility, social accountability, self-awareness and self-confidence. Penny Golden Rule Award. Williamson is the founder of The Gift Box, LLC a 23 year old company that provides recognition gifts for both small businesses and large corporations. Along with her husband, she is an active supporter of international amateur golf, hosting teams from Great Britain and Ireland for many competitions over the past decade. She is the mother of four. Board of Directors Emeritus.

Chapter 7 : Board Cafe: Working Board vs. Governing Board | CompassPoint

Boards, Working with Nonprofit organizations are governed by boards of directors, comprised mainly of members who serve as volunteers. It is that characteristic that is the interest of this subject in the library: applying volunteer management principles to how boards of directors recruit their members, work with the executive of the.

This discussion is meant to help boards led by non-executive chairmen understand the defining activities and attributes of the best CEO-board relationshipsâ€” relationships that consistently contribute to organizational performance and superior results. Our goal is twofold: To provide boards and CEOs with a clear understanding of the essential elements of an effective CEO-board relationship and to enable boards and CEOs to both assess and improve their current performance in delivering against each of these relationship attributes. We have identified 25 essential elements of an effective CEO-board relationship, each with an actionable defining standard. We hope these prove useful in assessing the health and quality of the relationship dynamics in your firm. The chairman serves as a critical mentor and advisor to the CEO. Beyond an ability to advise on the content of strategic decisions, the chairman provides thoughtful, actionable guidance on how to effectively translate strategy into action. The chairman maintains an open-door policy for the CEO to seek guidance. The chairman asks probing, penetrating questions on the logic of strategic decisions and the dynamics of organizational performance. The chairman consistently demonstrates the courage to ask tough questions. Maintains right attitude on strategy and succession: The chairman owns and embraces an active leadership role in CEO succession. Demonstrates full commitment and engagement: The chairman brings a spirit of energetic teamwork to all interactions with the CEO. Collaborates with the CEO to establish expectations, agendas, processes and decision rules: The chairman sets precise expectations on the inputs upon which the board needs to make decisions. Proactively seeks to build professional relationships with management team: The chairman seeks to build professional relationships with key members of the management team. The chairman has keen insight into the profiles backgrounds, personalities, capabilities of these critical executives. Effectively communicates and facilitates: The chairman always is available and communicates openly, proactively and transparently with the CEO and directors. The chairman is uniquely able to facilitate useful discussions with the CEO and the board. The chairman encourages forceful discussions yet manages the dialog toward positive outcomes. The CEO proactively works to communicate and build relationships with the chairman and directors via regular, informal interactions outside of board meetings. Communicates openly, proactively and transparently: The CEO is fully and effortlessly transparent on the implications and risks of strategic decisions. Proactively seeks board input outside of board meetings: Provides exposure to the executive team: The CEO facilitates informal introductions between members of the board and members of the management team. To facilitate succession planning, the CEO frequently brings members of the management team to board meetings, where managers play a substantive role. The CEO encourages board members to advise key managers on issues tied to their specific areas of expertise. Fully commits to the idea of an independent board: The CEO is fully committed to the concept of an independent chairman and board. The CEO partners with the chairman to strengthen the board. The CEO works to avoid the development of board factions. Balances strong points of view with openmindedness and flexibility: The CEO effectively challenges the assumptions of board members. Recognizes the power of complementary skills on the board: Directors advise on the substance of strategic decisions. Directors provide thoughtful, actionable guidance on how to effectively translate strategy into action. Directors maintain an open-door policy for the CEO to seek guidance. Directors ask probing, penetrating questions on the logic of strategic decisions and the dynamics of organizational performance. Directors consistently demonstrate the courage to ask tough questions. Directors maintain a deep commitment to the performance of the organization, and this commitment clearly is reflected in their level of engagement on issues of critical importance to the performance of the firm. Directors bring a spirit of energetic teamwork to all interactions with the CEO. Shared Relationship Responsibilities Commits to act in best interests of the firm: All parties recognize and embrace their obligation to work in the best interests of the firm. Builds close but independent relationships: All parties set distinct expectations for themselves and for each other. All parties establish clear objectives. All parties keep their promises. Establishes distinct roles and responsibilities: All parties maintain clearly defined and communicated roles and responsibilities. All parties are completely knowledgeable about their own responsibilities and the responsibilities of their counterparts. All parties bring a genuine level of intellectual and professional humility to each interaction. All parties are self-aware of their strengths, weaknesses and limitations. All parties are comfortable with having their ideas rigorously challenged. Demonstrates honesty, trust, respect and transparency: All parties work to establish relationships characterized by the highest standards of honesty, trustworthiness, respect and transparency. All parties work to create an environment characterized by mutual respect. All parties are fully transparent regarding their opinions, plans and underlying motivations. Conclusion We developed the framework for Essential Elements of an Effective CEO-Board Relationship with the input of sitting CEOs, chairmen and directors from a range of industry sectors and regions to provide guidance and structure for boards as they assess the clarity of their roles and the effectiveness of their relationships across the board as a whole. Our Global CEO and Board Services practice has an ongoing commitment to investigate critical corporate governance and board performance issues and to share our findingsâ€”with the aim of promoting discussion and adoption of best practices in board oversight. Russell Reynolds Associates helps companies across many different industries and around the globe to address leadership, talent and organizational issues associated with leadership assessment and develop best-in-class executive team. Our consultants work closely with public and private organizations to assess and recruit senior executives and board members to drive long-term growth and success.

Chapter 8 : Top Ten Signs of a Dysfunctional Board of Directors | calendrierdelascience.com

Is the opposite of a "working board" a "non-working board"? And is it true that governing boards don't "work"? Actually, these comments reflect a confusion between what the board does, and what board members do.

An outside board of directors can bring you experience, expertise and guidance to see you through a fiscal emergency or a growth surge. Your own vision, creativity and enthusiasm can be enough to propel you safely through the startup phase. But your need for guidance shifts dramatically when your company faces critical turning points in its development. Perhaps a serious fiscal crisis threatens the very survival of the business. Or you find yourself poised for a surge of growth but are unsure how to take your business to the next level. In this Quick-Read you will find: What a board of directors can do for you. How to select board members. Tips for working with your directors. As owner or majority shareholder, you may decide to appoint yourself and rely on an informal group of advisers, or even on a more formal advisory board, as described in the Quick-Read " Working With an Advisory Board ". Or you might opt for a CEO-friendly board of directors made up of family and old friends. Fear of losing control of the company is the main reason entrepreneurs resist appointing an outside board of directors. Yet with a board of directors you can gain even more control over the running â€" and growth â€" of your company. Provide access to resources and contacts, including potential strategic partners, customers and sources for financing. Selecting Board Members Stack the board with outsiders. Thus you, as CEO, would be the sole insider on a five-member board. If you want another insider, select the head of a key function of your business, such as finance. Choose people with solid track records. An entrepreneur who has been through a growth phase similar to the one your business is entering would be ideal. Board members also should have extensive and useful connections in the business world. Recruit from other industries. This will give breadth to your board and contribute to creative thinking. Go for directors with strengths you need. How to Screen a Board Candidate You might want to hire an executive search firm to help find directors. Then hold as many interviews as necessary to get the right people. Look for a match between your candidates and your corporate culture and business style. Explore previous or current board experience. What specifically has the individual contributed? You want an active board, not directors in it for money, prestige and a gilded resume. Mention reimbursement only to top choices. Wait at least until the second interview. People in it primarily for money might even ask about cash or stocks in the initial interview. Interview at varying locales. Hold first interviews during breakfast, lunch or dinner at your offices or in restaurants. The relaxed circumstances will help you get a feel for individual personalities and character. Is the atmosphere positive? Do peers and subordinates seem comfortable? How do candidates handle interruptions? Are they gracious to visitors and employees? Working With Your Board Establish bylaws that give the board just the powers you want it to have. Will the CEO be board chairman? Will the owner or majority shareholder? Will the board be able to add members? Will it set executive compensation? Will it determine governance structure? Will it decide when to issue more stock? When to go public? When to pursue joint operations or a merger with another company? When to go out of business? If you get funding from a venture capital firm, it probably will expect board representation to protect its investment. Appoint board members who agree with your business philosophy. Use the expertise of board members. Give the board full access to management. Make it clear that the board can contact any member of your management team directly at any time. Be well prepared for board meetings. You want members to deal with key issues during each session. To facilitate this, provide them with adequate background information before the meeting. Their job is to keep you out of trouble by making sure your financial accounting matches standard accounting practices. Meetings of the committee should be held at least every six months. Ask open-ended questions that will bring out the information that can help you most: What is your main area of concern? In what area did your opinion differ most from that of our chief financial officer? Is there anything more I should know? Let the board help you. Follow the advice you get. Consider getting professional liability coverage, with a policy that protects your board of directors and officers. Some insurance pays for financial loss resulting from errors and omissions made by board members or officers. Any bodily injury or property damage they cause is often excluded. We had almost no cash flow, and our reputation with vendors was virtually shot. And yet I kept telling the board things looked great â€” and asking what we could do to grow the business! And I had to be honest. They were there as my advisers and guides. They were there to build me up, not tear me down. And they proved it by using their connections to find the financial resources we needed to turn things around. Find out how they handled the process. NACD advises entrepreneurs on selecting and working with directors. The group also offers assessments of current boards. Be prepared to pay your directors adequately. Additionally, count on expenses for regular meetings and communication to make sure all members have the latest information about your business. Choose board members who are likely to be compatible with each other. Limit your board to between five and seven members. They will propose changes to benefit your company.

Chapter 9 : Board of directors - Wikipedia

This board member can be of great value as a sounding board and a guide to working effectively with the rest of the board. Communicate less formally, more intensively, more often.