Role Confusion on Nonprofit Boards: Promoting Board Engagement

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ROLE CONFUSION ON NONPROFIT BOARDS: PROMOTING BOARD ENGAGEMENT

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Abstract
This article explores different types of role confusion that nonprofit board members may experience. Various types of role confusion include uncertainty about how to fulfill one’s role as a trustee, conflict between different roles that one may have to play as a board or community member, and overload in carrying out that role. Conflict in decision making and differing expectations of the role of the board between the board and the executive director are also explored. Solutions that nonprofit boards can implement to prevent and manage these different types of role confusion are explored using a variety of sources. Practical solutions include: giving board members more ownership over the functioning of the board, recruiting the right members, continuously evaluating and improving board performance, implementing the duties of care and loyalty through effective meeting planning and managing conflict of interest, creating a dynamic relationship between the board and the executive director, and engaging in strategic thinking.

INTRODUCTION
Nonprofit boards are an essential component of nonprofit management and governance of organizations. According to Renz (2010), some of the essential functions of a nonprofit board include leading the organization, creating organizational policy, securing necessary resources, safeguarding the use of resources for the mission, providing oversight and direction to the executive director, maintaining relationships with key constituents, upholding organizational accountability standards, and ensuring that the board is functioning effectively. They have “the ultimate authority and responsibility for the performance of a nonprofit organization and…it is the board that ultimately is accountable to the community, to the state, and to clients and beneficiaries” (Renz, 2010, p. 125). Despite having these important functions, nonprofit boards have the challenge of carrying out their duties with a group of volunteers who have different backgrounds, experiences and motivations for serving on a board. Yet the consequences of having an unproductive board remain high. Ineffective nonprofit boards can lead to problems such as poor succession planning, poor executive
director (ED) hiring practices, ED frustration leading to high ED turnover, and poor board performance on essential functions such as fundraising (Cornelius, Moyers, & Bell, 2011). Because of the important role that boards play, it is important that nonprofit board members and EDs build effectively functioning boards.

The level of board engagement is one of the many factors that contribute to board performance. When various measures of board performance are rated low by nonprofit EDs, it is not necessarily related to quality of board work, but to low levels of active board engagement (Ostrower, 2008). Some EDs claim that boards are effective at maintaining board-staff boundaries and following their role. However, EDs of midsized nonprofits are concerned that “the board is not active enough in performing its own duties” (Ostrower, 2008, p. 8), suggesting that engagement of board members in fulfilling their role is an issue. There is also a correlation between nonprofit board engagement and the ability to attract board members, another challenge for mid-sized nonprofits (Ostrower, 2008). Additionally, some of the important functions that boards must perform, such as monitoring and oversight, are not very engaging to board members and are not why many people join a board (Chait, Ryan, & Taylor, 2005). When board members are disengaged from their work, the performance of the board suffers and they are less able to fulfill their purpose.

Since nonprofit boards generally consist of unpaid volunteers who have no financial incentive to perform effectively, motivating and engaging board members requires unique skills. Board members may be unclear about the role that they are to play on a board because they hold a variety of roles in the community. Additionally, nonprofits with ill-defined organizational goals, numerous stakeholders, and executive and volunteer functions that overlap are expected to have some role ambiguity (Sone & Ostrower, 2007; Wright & Milleson, 2008). Such board role uncertainty has a negative impact on the board’s engagement in the organization (Wright & Millesen, 2008). This paper explores how role confusion among nonprofit board members, and between the board and the executive director, impacts board functioning, and identifies solutions for reducing board member role confusion to create better functioning, engaged, and effective nonprofit boards.

**Role Confusion**

There are several different types of role confusion that board members may experience. Widmer (1993) distinguishes between role
ambiguity, role conflict, and role overload and defines these concepts as follows:

“Role ambiguity arises when an individual is uncertain about the expectations of the role and does not know what to do to enact the role. Role conflict exists when an individual is confronted with divergent role expectations, that is, when the individual must perform two roles simultaneously and doing so is difficult or impossible because doing one precludes the other... Role overload arises when it is impossible for an individual to fulfill a specific role because of the magnitude of the demands rather than the specific expectations, of that role. Overload is a matter of time, energy, and resources, not incompatibility” (p. 340).

Understanding these different types of role confusion is important, as each problem will have different solutions.

In order to better identify the various types of roles that board members may feel conflict between, Widmer (1993) identified additional roles that board members play, in addition to the role of trustee. The main roles are those of worker, expert, representative, and figurehead (Widmer, 1993). A worker is a board member who is asked to perform specific tasks for the board. The worker is likely to experience role overload. An expert is someone who is asked to be on the board because of their specialized knowledge. The expert may experience role conflict when they are not able to play their perceived role, such as when they have to engage in aspects of being a trustee that are not in their expertise. The representative is someone who is asked to be on the board because they represent a specific organization or group. The representative could vary in terms of the group they represent. For example, they could represent a business or professional organization, or they might be a client or former client of the organization and represent the client’s perspective. Representatives may experience both role ambiguity and conflict because they may at times have to determine which role to play (trustee or representative), and whose interests to put first. Additionally, the representative may experience these role stressors because others may not be able to perceive them as playing the trustee role. Finally, figureheads may have a presence on a board in order to bring prestige to the board. These could consist of famous people, well-known clients of the nonprofit, or a member who is on the board in order to make the organization look good to a certain audience. Figureheads’ experiences vary, but they can run the risk of not contributing anything meaningful to the nonprofit board other than their prestige (Widmer, 1993). Board members can be unaware of the other perspectives they utilize as a trustee, and they may play multiple roles simultaneously. Some models assert that
board members should only play the role of trustee (Carver, 2002). However, these other roles, if managed well, can have some benefits for nonprofits (Widmer, 1993). Boards need to be aware of issues that may arise with members who are playing multiple roles and particularly address any conflicts of interest.

Role confusion can also be defined in terms of processes that board members engage in. Sakires, Doherty, and Misener (2009) found support for three types of role ambiguity which they called scope of responsibilities ambiguity (knowing what to do), means-ends knowledge ambiguity (knowing how to do it), and performance outcomes ambiguity (what difference it makes). They found that board member’s level of satisfaction and commitment was related to understanding the scope of responsibilities, and that board member’s level of effort was correlated to performance outcomes ambiguity and means-ends knowledge ambiguity. Greater role clarity on boards is related to members feeling that their contributions to the board are more meaningful. Additionally, knowing what to do is more important for board members than knowing how to do it and what difference it makes (Doherty & Hoye, 2011).

Chait, Ryan, and Taylor (2005) maintain that board members’ dissatisfaction with their role (not just their confusion) is what makes them ineffective. Board members have the challenge of figuring out which work is important to focus on. They may sometimes need to engage in work that is not governance (such as coaching and problem solving with staff, or volunteering in service delivery) that informs their governance work. Boards also need to determine which functions they can delegate or contract out, and which functions only the board can perform. Chait, Ryan, and Taylor (2005) frame these as problems of purpose, not performance.

**Board Conflict**

Different perspectives on the role of trustee and the board as well as the diverse ideologies of board members can lead to conflict on nonprofit boards that should be managed in order to improve the board’s effectiveness. Types of conflict on nonprofit boards include task conflict (conflict over what to do), process conflict (conflict over how to do it), and relationship conflict (personal disagreements) (Kerwin, Doherty, & Harman, 2011). Nonprofit boards are composed of people with very diverse experiences, interests, and agendas, which can cause board members conflict between their own loyalties and roles, and between one another when trying to make decisions (Kerwin, Doherty, & Harman, 2011). This
conflict is not necessarily a negative thing if managed effectively, but if it is not managed it can be a source of low morale among board members.

There are certain features of boards that trustees can be aware of that contribute to or mitigate conflict. Some of the factors that impact conflict include diversity (of priorities, personalities, and experiences, not necessarily ethnicity), formalization, leadership, and complexity of decisions (Kerwin, Doherty, & Harman, 2011). High gender and racial diversity on boards does not necessarily lead to an increased rate of conflict. However, diverse ideologies of board members can increase disagreement (Grissom, 2010), though this is not always detrimental to board functioning (Kerwin, Doherty, & Harman, 2011). Diverse perspectives, if managed well, can lead to conflict that helps people understand the issues more thoroughly and make better decisions as a board (Kerwin, Doherty, & Harman, 2011).

There are certain qualities of boards that affect conflict. Formalization (including policies, regulations, and codes of conduct) has been shown to improve conflict, and lack of leadership (or clear direction on how things should get done) can lead to greater conflict (Kerwin, Doherty, & Harman, 2011). This is an important thing for board chairs and executive directors to understand when guiding the board. Additionally, complexity of decisions affects the level of conflict on a board, with routine tasks requiring a lesser amount of conflict. Finally, already existing conflict can lead to more conflict, as when task conflict becomes too emotional or personal and leads to relationship conflict (Kerwin, Doherty, & Harman, 2011). Among school boards, board location (rural, suburban, or urban) has no effect on conflict (Grissom, 2010). Additionally, large boards tend to have more conflict, but sometimes a board needs to increase its size in order to manage its workload (Grissom, 2010). Understanding the issues that lead to conflict can help board members and EDs implement strategies to reduce unwanted conflicts and allow for those that improve the quality of board decisions.

Not all conflict in a group such as a board is detrimental to effectiveness, yet conflict may be feared by board members. Many board members reject the idea that “conflict” exists in their board and prefer using terms such as “disagreement” or “differences of opinion” (Kerwin, Doherty, & Harman, 2011). This shows that board members may tend to minimize conflict that occurs in their boards. However, it has been found that task conflict is beneficial for “idea generation, increased understanding of issues, and making decisions in line with the organization’s mission” (Kerwin, Doherty, & Harman, 2011, p. 580). Some board members like conflict because it shows that an issue was at least thought through.
However, task conflict should not escalate to the point where it hinders flexible thinking and problem solving (Kerwin, Doherty, & Harman, 2011). There are mixed findings on the effects of process conflict, and relationship conflict is generally thought to be detrimental to decisional quality as it causes groups to make decisions based on personal agendas rather than information. Task and relational conflict can cause board members to experience more burnout from their role, and a desire to withdraw from their position (Kerwin, Doherty, & Harman, 2011). Systems need to be created that allow for beneficial conflict that improves decision making, but minimizes other types of conflict that deter good decision making.

**Differing Expectations (Executive Director Perspective)**

In analyzing role confusion in nonprofits, the problem is complicated by the fact that EDs often perceive board performance differently than board members. When evaluating the board, EDs often report a higher degree of board member role ambiguity than board members themselves (Wright & Millesen, 2008). This finding suggests that board members and EDs might have differing expectations about the board’s role. Board member role ambiguity might exist because of a lack of communication. About 80% of board members receive adequate materials and agendas before board meetings, however they receive little feedback or training on how they are performing their role (Wright & Millesen, 2008). This lack of feedback that board members experience can lead to board members believing that they understand their responsibilities and are carrying them out properly, while the ED believes that board members do not understand their role (Wright & Millesen, 2008). These differing opinions could mean that EDs and boards prioritize different activities, or simply have a different understanding of the work the board should be doing.

As the nonprofit field has professionalized, nonprofit managers have taken on more leadership roles that would traditionally be considered governance. EDs are expected to be able to clearly articulate the organization’s mission, and galvanize supporters, shape plans, and clarify problems (Chait, Ryan, & Taylor, 2005). Concurrently, trustees have begun to function more like managers, with boards recruiting members with different skill sets to oversee the different parts of the organization (Chait, Ryan, & Taylor, 2005). This shift can be attributed to the fact that the concept of trusteeship has not continuously evolved while our understanding of leadership has changed tremendously (Chait, Ryan, & Taylor, 2005). One model proposes that governance should be viewed more
as leadership, which will lead to board functioning that is naturally more engaging to its members (Chait, Ryan, & Taylor, 2005). Creating a leadership board doesn’t mean that the board usurps power or leadership from the ED. However, improving the board’s capacity to operate in three modes: fiduciary, strategic, and generative, will lead to governance as leadership.

The role that the board is expected to play can change depending on the internal and external environment of the organization. For example, when an organization is struggling for resources, the ED tends to emphasize the importance of the board’s role in generating resources (Brown & Guo, 2010). Additionally, when an organization is operating in a complex external environment, the ED emphasizes the board’s role in shaping strategy (Brown & Guo, 2010). In large organizations with diverse programs and services, EDs emphasize the board’s role in oversight and monitoring capacity (Brown & Guo, 2010). EDs with a longer tenure (especially as compared to board members) are less likely to prioritize the board’s monitoring roles (Brown & Guo, 2010). These findings show that the expectations that the ED has of the board can vary depending on the circumstances of the organization, as well as the experience level of the ED.

**Promoting Board Engagement**

The solutions that are recommended in this article are drawn from multiple sources. This article does not propose to create a comprehensive list of the solutions that boards should consider, but rather looks for solutions that will increase board engagement. “An emerging consensus is that given the diversity of boards and nonprofits, no ‘one size fits all’ model will work for all nonprofits, and different models may be appropriate for the same organization at different stages in its life” (Ostrower, 2014, p. 20). This paper proposes solutions from various models including the policy-governance model (Carver & Carver, 2009; Carver & Carver, 2009b; Carver, 2002), board-centered leadership (Herman, 2010), and governance as leadership (Chait, Ryan, & Taylor, 2005). But different sources have different recommendations on even something as practical as how to run a board meeting (Tropman & Harvey, 2009; Board Source, 2012), so boards should seek out different approaches and determine which approach is best for them. Board members may also benefit from looking at literature that addresses the issues related to the type of nonprofit that they are governing.

This paper suggests that focusing on board authority, recruitment, training, evaluation, the duties of care and loyalty, creating a dynamic ED-board relationship, and engaging in strategic thinking will all help to create
a more engaged and effective board. These recommendations will provide clarity to the various types of role confusion that were presented in the first part of this paper. For example, training is a solution to the issue of role ambiguity, while accountability and policies that promote loyalty are solutions to role conflicts that come from trustees that have multiple community roles. Recruitment and evaluation practices that clearly define the role board members are expected to perform and evaluate performance can improve role overload and resulting performance issues of board members who are not able to manage their competing roles.

**Board Operation: Authority, Recruitment, Education, and Evaluation**

Following misconduct that occurred in for-profit companies like Enron, the United States Congress passed the Sarbanes-Oxley Act of 2002, creating new regulations for senior managers of companies. While most of the Sarbanes-Oxley Act does not legally apply to nonprofits, it is generally regarded as best practice for nonprofit boards to follow (Thompson, 2006). The Sarbanes-Oxley Act notes the importance of independent directors to lead the board. Nonprofit boards, which consist of volunteers, should be careful not to defer too much of its authority to management (American Bar Association, 2005). Some recommendations that boards can practice to maintain their independence include addressing issues of authority and ownership, roles and responsibilities, and evaluating performance.

It is important that nonprofit board members understand that, “their authority is derived from the board as a whole, and that individual directors have limited, if any, authority” (Thompson, 2006, p. 33). Nonprofit boards in particular need to remember that they operate on behalf of public stakeholders to ensure proper functioning of the nonprofit. Carver and Carver (2009) suggest that boards need to think about their ownership, and determine the groups that they are accountable to. Ultimately, the public stakeholders are the owners of the nonprofit, but the board acts as the owners’ agents at the organization. Board members may feel pressured by various groups that claim to have a stake in the organization or the clients they serve. However, the board as a whole has to decide who the organization serves and who has ownership over it.

Carver and Carver (2009) recommend that boards establish one voice so that it is clear that when board members speak as individuals they are not speaking on behalf of the board. Without clearly and explicitly establishing this boundary, people on the board might be confused about their role as board members, and staff at the agency might confuse statements made by one board member as coming from the board. This
establishment of the board as the ultimate authority, not individuals, also requires that the board arrive at a decision no one undermines.

Furthermore, it is important that nonprofit boards define their own roles and responsibilities. The roles of board members, including officers such as the board chair, should be defined through written job descriptions that clearly define the unique responsibilities board members have that differ from employees of the nonprofit (Thompson, 2006). If there are additional board roles, such as honorary board members and committees, those should also be defined (Thompson, 2006). The board is responsible for its own structure and functioning, so in defining the work of the board members and committees, the board should also be proactive in planning for board member recruitment by determining job experience, expertise, and representation that is needed on the board (Thompson, 2006).

In order to have an effective board and minimize role ambiguity, boards need to consider how they are recruiting members. One of the most important qualities boards should emphasize when recruiting members is the willingness to give of one’s time. Boards that emphasize this tend to be very engaged in all of the roles that the board must carry out (Ostrower, 2008). Additionally, boards that seek out business and financial skills in their new members also tend to be active in fulfilling most of the roles of the board (Ostrower, 2008). Boards should also be wary of setting requirements that are too specific. For example, when fundraising ability is set as a requirement boards have higher engagement in fundraising, but their engagement in other board duties such as monitoring programs and setting policy suffer (Ostrower, 2008). Furthermore, the “friendship with current board members is negatively associated with levels of board activity in many roles” (Ostrower, 2008, p. 6). Board members should be selected because of their willingness to give of their time and certain skills, not because they know others on the board. Additionally, board members whose values align with the organization, and are committed to the organization’s purpose tend to be more engaged board members (Brown, Hillman, & Okun, 2012). Based on these findings, boards should implement policies that guide member recruitment. Boards might ask prospective members why they want to join the board, for example, and select members whose values seem most aligned with the organization.

When determining the needs of the board, board members also need to consider board structure, which influences the level of engagement of trustees. Studies have found that a greater number of board members can lead to greater conflict (Irke & Johnson, 2004; Grissom, 2010). Additionally, the length of time that members serve on the board can influence performance. Having more than two years of experience on the
board improves participation and engagement, which tends to increase with years of board membership (Brown, Hillman, & Okun, 2012). Attachment to the mission of the organization also increases with board tenure, which leads to further confidence and participation in board roles. Additionally veteran board members may have more trust in their colleagues (Brown, Hillman, & Okun, 2012). Implementing term limits on board members can address the need for new skill sets and allow for new perspectives on the board (Thompson, 2006), but decisions about term limits should be made in a way that benefits the organization and considers engagement and trust among board members.

A committee that is dedicated to recruiting and nominating board members could also naturally take on the responsibilities of board orientation, continuing board education, and evaluation (Thompson, 2006). Ongoing training of board members significantly predicts participation in the governance roles of resources (including giving advice, fundraising, and relationships with external stakeholders) and monitoring (including evaluating executive performance, financial operations, and implementation of strategy) (Brown, Hillman, & Okun, 2012). Compared to ongoing training and education, orientation does not have as significant of an impact on participation, even for new board members (Brown, Hillman, & Okun, 2012). However, some authors think that new member orientation is a necessity for new trustees (Tropman & Harvey, 2009), and in order to reduce role confusion of new members, Widmer (1993) stated that board orientations should emphasize the board member’s role of guardian and go over what that role entails. Orientation to the role of trustee could help to “counteract the tendency of board members to focus solely on their specialized roles” (Widmer, 1993, p. 352). A board manual outlining the mission and history of the organization, the role of the trustee, the current strategic plan, organizational structure, and annual reports can also be useful in orientation (Tropman & Harvey, 2009). As it often takes six months to a year for a new board member to become a more contributing member, training can improve the board member’s engagement. Training can be done on the essential aspects of the organization as well as “the principles of good group decision making” (Tropman & Harvey, 2009, p. 120). This process can be beneficial and act as a bonding mechanism for new and veteran board members. (Tropman & Harvey, 2009)

To further promote board effectiveness and independence boards need to regularly evaluate their own performance (Thompson, 2006). Evaluation is closely related to ongoing education of board members, as evaluation will show the board where it needs to continue to grow and improve. Boards need to create expectations that promote continuous
learning and improvement, and systems for ongoing feedback and evaluation so that they can continue to adjust their performance (Wright & Millesen, 2008). This process can be intimidating, especially to trustees that are serving as volunteers. However, the volunteer’s commitment is just as important as any other role (Tropman & Harvey, 2009).

Knowing how to evaluate a board can be a challenge, but there are different approaches that boards can take. Effective boards use more of the recommended processes for evaluation of board members than ineffective boards (Hoye, Cuskelly, & Cuskelly, 2004). Boards can use a board self-evaluation process, where individual members evaluate their own performance or a collective board evaluation in which the board collectively discusses and evaluates its performance or the performance of individual members (Hoye, Cuskelly, & Cuskelly, 2004). Some of the challenges of doing board evaluations are that board members may not understand how to do the evaluation, and they may not have clear performance criteria. Additionally, there may be a tendency for board members to lack frankness with one another in informal board evaluations (Hoye, Cuskelly, & Cuskelly, 2004).

Board self-evaluation is conducted so that the board can continually compare its own performance with what the board has stated it would accomplish (Carver & Carver, 2009b). Board evaluation should always be done using previously created criteria. Conducting a brief board self-evaluation at each meeting can be done to evaluate the board’s alignment with its own policies (Carver & Carver, 2009b). For example, at the start of the meeting the board can read one of its process or board management delegation policies, and then at the end of the meeting the board evaluates how well it followed its policies (Carver & Carver, 2009b). This type of regular study, reflection, and consultation on board performance would lead to continual performance improvement as well as provide ongoing education for the board.

**Duty of Care**

“Duty of care” is one of the legal responsibilities that board members can be measured on. The duty of care includes the board member’s, “responsibilities to be informed in making decisions, to participate in the board’s decision-making and oversight responsibilities, and to act in good faith” (Thompson, 2006, p. 34). When a board chair promotes active collaborative meetings with engaged board members, the duty of care can be realized. However, effective meetings are not common. “Meetings are among the most disliked elements of board service for many
members, yet the typical board leader spends surprisingly little time organizing and conducting meetings to ensure that they are efficient and effective venues for board work” (Renz, 2010, p. 152). In mid-sized nonprofits “the board chair (70 percent) and the CEO (85 percent) are very influential in setting the agenda for board meetings” (p. 6), but boards whose members are able to influence meeting agendas are more actively engaged in financial oversight, planning for the future, and fundraising (Ostrower, 2008). Effective board meetings are energizing for those involved, utilize the time well to accomplish the goals, and draw on the diverse skills of the board members present.

The chair plays an important role in facilitating effective board meetings and can have a significant impact on the performance of the board. When the chair is perceived as performing his (or her) role well, he is often “seen as having a positive impact on the performance of the board, the CEO, and the organization as a whole” (Harrison, Murray, & Cornforth, 2013, p. 710). Some essential qualities of the chair are that he demonstrates team leadership (through encouraging collaboration), and emotional and spiritual intelligence (characterized by altruism and commitment to the cause) (Harrison, Murray, & Cranforth, 2013). The chair can play a big role in influencing the culture of the board, and making other board members feel that their thoughts are valued, and that they are able to contribute to making important decisions for the organization.

Boards are composed of individuals with different personality and communication styles that must learn to work together as a team and hold one another accountable to the trustee role. A skilled chair is able to engage each of the members in contributing to the work of the board, however board members can also do things to promote a participatory culture (Board Source, 2012). Board members can remind themselves to focus on the mission of the organization, which can be a point of connection for board members even when they disagree on other aspects of the organization. Additionally, board members can focus on building a culture of trust “through the frequent communication of expectations and appropriate roles” (Board Source, 2012, p. 41). Board members can hold one another accountable to the roles they are to play as board members, maintaining confidentiality, and disclosing conflicts of interest. Board members also have the responsibility to speak frankly about issues and decisions so that the group can make the best decision. Finally, board members can also build their relationships outside of board meetings by interacting in different settings, which will lead to better communication in meetings (Board Source, 2012). An effective chair can help facilitate these dynamics,
but individual board members can also take responsibility for their contributions to the board’s culture.

The duty of care is an ongoing process of development for boards. Some practical steps for further practicing this duty of care might be to schedule board meetings and important events in advance so that board members can plan to attend, provide information for the board members to review before the meeting, and prioritize important items to be discussed early on the meeting agenda (Thompson, 2006). Board members should prepare ahead of time for meetings. Additionally, information from committees and officers can be incorporated into the meeting where it is relevant based on decisions that need to be made instead of reported on all at once (Tropman & Harvey, 2009). Boards should be proactive about making decisions, instead of making decisions of less quality under pressure. The agenda can be organized by type of business such as: announcements, decision or action items, and issues requiring discussion and brainstorming (Tropman & Harvey, 2009). Board chairs can help to facilitate decision building by organizing discussion on a topic around the elements that need to be discussed. The chair can then help to crystallize the decision by summarizing points and suggesting actions, which can then be further discussed (Tropman & Harvey, 2009). Boards of varying sizes, structures, and stages of development need to intentionally determine how to run meetings effectively for their purposes.

**Duty of Loyalty**

The “duty of loyalty” to an organization is another legal responsibility nonprofit board members have, and requires trustees to act in the best interest of the organization (Thompson, 2006). Maintaining confidentiality of matters discussed at board meetings, and avoiding conflict of interest are important components of carrying out this duty of loyalty. Confidentiality is important in order for board members to be able to express their views openly. Conflict of interest is a role conflict that nonprofit board members may face when their duty of loyalty to the organization conflicts with their personal interests. Nonprofits need to appropriately manage any conflicts of interests of board members, and prevent private inurement, which “occurs when an individual with significant influence over the organization…enters into an arrangement and receives benefits greater than the service he or she provides” (Board Source, 2012, p. 206). Organizations should create conflict of interest policies that require board members to disclose their “connections with any individuals, groups, and companies doing business with the organization”
(Board Source, 2012, p. 207). Board members should be required to report personal or professional affiliations with organizations the nonprofit does business with, dealings with the nonprofit in the past 12 months, and other corporate or nonprofit boards that the board member serves on which could create competing interests. In order to manage these conflicts in carrying out board tasks, board members can disclose at the beginning of the meeting any conflicts they may have with items on the agenda. That person should then remove themselves from discussion and decision-making on issues that they have a conflict with. The board should also adopt standard procedures for getting competitive bids on jobs that they contract out for, so as to not favor organizations that may benefit certain board members.

The duty of loyalty can be challenged by varying roles that board members have in the community. Trustees who are also clients of the organization (representatives), or who were selected for board membership because they represent another group in the community have to pay attention to the duty of loyalty and determine to which group they must be loyal (Widmer, 1993). It is important for representative trustees to consider the unique perspectives of each role, yet also maintain their perspective as a trustee (Carver, 2002). For example, as a client their perspectives and authority come as an individual, while on the board their authority comes as a group. As a client, one might judge staff based on particular experiences with them, whereas as a board member, one has to judge the effectiveness of staff as a whole working with all clients. As a client, one might be able to speak with many people at an agency, whereas as a board member, one would likely only formally communicate with the ED. As an individual, one can follow one’s own needs in the moment, whereas as a board member one has to follow policies, laws, and ethics. As an individual one tends to deal more with issues in one-time events, whereas as a trustee one has to make abstractions and think in terms of systemic and governing issues. Furthermore, as a client interacting with an organization, one could potentially become an adversary of the organization, while as a trustee one holds the role of being a creator of the organization (Carver, 2002). These distinctions in roles that an individual can play in his or her interactions with the organization are important for individuals who serve as trustees to be aware of so that they can appropriately take ownership for their trustee role.

**Relationship Between Executive Director and Board**

Both the ED and the board are critically important in leading, guiding, and managing the organization. The ED and board deal with
different aspects of leading the organization, yet the work of each role informs the other. The relationship between the board chair and the ED is important in setting the tone of the relationship between the board and the staff of the organization. The board chair and ED need to have clearly defined and understood roles and responsibilities. It is generally understood that the board handles strategy (the direction the organization is heading) and the staff deals with operations (moving the organization toward the goals) (Board Source, 2012). Therefore, the ED should be focused on informing the board about what is going on with the organization, and implementing guidance from the board. The only staff that the board and board chair need to be concerned with evaluating and hiring is the ED (Board Source, 2012).

In organizations with paid staff, the board generally delegates the management of the organization to the ED (Carver & Carver, 2009b). While the board establishes policies and goals for the organization, the ED makes reasonable interpretations of the board’s policies, delegates tasks, directs, supervises, and controls staff, gathers data on performance, and provides strategic planning and monitoring updates to the board (Carver & Carver, 2009b). The board then judges the performance of the ED based on the reasonableness of his (or her) interpretations of the board’s policies, and whether the interpretations were accomplished (Carver & Carver, 2009b). The ED should be evaluated based on clear expectations that are established in advance. Evaluation can occur informally through conversations with board members, or formally through an outside consultant. Some organizations conduct 360-degree evaluations (with the knowledge of the ED) where staff members are interviewed about the EDs performance (Board Source, 2012). The ED can also be asked to perform a self-evaluation. Following the EDs evaluation, new performance standards can be established for the upcoming year (Board Source, 2012).

It is the role of the ED to provide leadership to the board. Effective EDs do not differ much from ineffective EDs in leading staff, but effective EDs are distinguished by the leadership they provide to their board (Herman, 2010). In providing leadership to their boards, these EDs do not tell boards what to do, however they support the board’s work, and see board leadership as a core function of their job (Herman, 2010). Board-centered leadership requires that EDs facilitate board relationships and communication, and resolve conflicts. Effective EDs also are aware of the exchange relationship that he or she has with board members, and try to remain aware of the needs of board members. Additionally, these EDs provide their boards with information on the changing external environment and suggest innovative ways for the organization to respond (Herman,
These EDs suggest not only innovative ideas, and provide routine information (financial statements, budget reports, program service data), but they also perform the role of getting important information to the board that will help them make decisions. Sometimes this means the ED has to sift through trivial and important information and decide what information needs to go to the board (Herman, 2010). These EDs realize the importance of making boards aware of problems and issues as they arise, instead of trying to cover up issues. Lastly, the ED sets high standards for the board and helps the board meet those standards by assisting the board in reaching its objectives and following consistent procedures (Herman, 2010). EDs should ask board members to participate in meaningful ways that promote engagement (Wright & Millesen, 2008). While the ED provides leadership to the board, they generally should not serve as a voting member of the board. Having an ED be a voting member of the board is associated with less board engagement in financial oversight, setting policy, and community relations (Ostrower, 2014). Hopefully, by keeping both the ED and the board aware of their roles in their relationship with one another, nonprofit boards can perform more effectively.

**Strategic Thinking**

Whether we call it strategic planning, strategic thinking (Board Source, 2012), or generative thinking (Chait, Ryan, & Taylor, 2005), it is important for board members to be engaged in the big picture of the organization. Apart from benefits to the organization of using strategic planning and thinking such as improved decision making, development of goals, and evaluation of organizational effectiveness (Irkhe & Johnson, 2005), engaging in this activity improves board members engagement. Boards that use strategic planning have been shown to have less conflict than other boards, and they develop a shared understanding, which leads to improved teamwork (Irkhe & Johnson, 2005). Additionally,

A board that thinks strategically creates a culture that focuses on critical issues, encourages the thorough exploration of ideas, and continuously aligns agenda items with organizational priorities. Service on such a board is productive and satisfying for board members. Instead of focusing on routine process questions and operational matters, meetings feature lively debate about big-picture issues, such as public perception of the organization, options for future funding, or improving service to constituents (Board Source, 2012, pp. 20-21). Some of the suggestions cited earlier in this paper such as creating a diverse board, intentionally
designing meeting agendas, and promoting effective discussion can help to create a board that thinks strategically (Irkhe & Johnson, 2005). Engaging in strategic thinking is fulfilling for board members, and is an effective use of the board’s time and resources.

Board members generally join boards because they are passionate about the purpose of the organization, and become dissatisfied with their role when they feel that their work is not contributing to generating solutions to fulfill that purpose (Chait, Ryan, & Taylor, 2005). Chait, Ryan, and Taylor (2005) propose that boards should engage in three different modes of governance: fiduciary, strategic, and generative. Generative thinking is the unique aspect of this model, and it is a precursor to strategic thinking and planning. It is the process of analyzing and conceptualizing the problem that the organization is trying to address. Chait, Ryan, and Taylor (2005) cite paradigm shifts in various fields as examples of times when our thinking about an issue has dramatically changed, which affect how we address the problem. In organizations, board members need to attempt to intentionally engage in this process, which people often remain unaware of. Some ways board members can attempt to do this include identifying cues or clues (interesting data that might provide other ways of viewing the problem), using frameworks to look at problems from different perspectives (such as structural, human resource, political, or symbolic frames), and thinking retrospectively (identify emerging strategies based on the work the organization has done or is doing) (Chait, Ryan, & Taylor, 2005). In this model, however, it is a process to get board members involved in generative work. In typical boards, board members become more involved as opportunity for generative thinking declines, after the problem has already been formulated and the board moves into more strategic and planning stages. Boards may need to get out of their usual routine in order to get into a generative thinking mindset. Robert’s Rules of Order can be used to streamline board functioning in preparation for generative thinking, but generative governance requires a bit of playfulness and relaxing of the rules (Chait, Ryan, & Taylor, 2005). This type of governance also draws strengths from hearing different ideas from all the members of the board. Board member’s ideas can build off of one another. This type of Governance requires the engagement of all board members. Whichever framework or model the nonprofit board uses to guide its governance, the board should try to engage in higher-level thinking that engages all board members, and attempts to guide the organization beyond the day-to-day operations.
CONCLUSION

In conclusion, lack of board members’ engagement in their duties is a problem that many boards face, and leads to a decreased ability of boards to carry out their functions. Some of the problems with board engagement can be attributed to board members being unclear about their role as trustee, or confusion about the roles and responsibilities of the board in relation to the organization and staff. In order to become more effective and engage, boards need to consider who they are responsible to and define their purpose and role. Then, boards need to strategically recruit board members, and provide orientation and ongoing training and education to members. Boards need to continuously evaluate their own performance in achieving goals that they set for themselves and find ways to grow and improve. Furthermore, intentionally practicing the duty of care can lead to a more participatory culture, in which board meetings are effective platforms for board members to discuss and make decisions about issues that the organization is facing. Incorporating the duty of loyalty, through implementing confidentiality and conflict of interest policies can also foster more frank and open discussion and protect the board from the consequences of board members competing loyalties and roles in the community. Having a good chair who is able to facilitate meaningful and effective meetings is valuable in order to manage the conflict that board members may experience as they attempt to make informed decisions. Furthermore, having a solid understanding of the dynamic relationship between the board and the ED is beneficial so that both boards and EDs have the necessary information they need to fulfill their complementary roles. Finally, strategic planning and generative thinking is something that the board can regularly engage in to create a unified and effective vision for the organization. This process engages board members in supporting the purpose of the organization, by re-conceptualizing the problem that the organization addresses. By following some of these strategies and principles, boards and board members can become more effective at managing their unique roles and providing sound and responsible governance to nonprofits.

REFERENCES

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Grace Denny recently graduated with a dual Master’s degree in Social Work and Public Administration (focusing on Nonprofit Leadership and Philanthropy) from Grand Valley State University. While in graduate school, Grace worked at the Dorothy A. Johnson Center for philanthropy as a Research Assistant and a Special Projects Graduate Assistant. She also did a part time Graduate Assistantship in the School of Social Work and completed an internship at Cherry Health. Prior to graduate school, Grace did a year of service with Americorps VISTA and also provided direct care to youth in residential settings with developmental disabilities and histories of abuse and neglect. Grace completed her undergraduate degree at Hope College, where she completed a BA in Psychology, with a minor in Philosophy, and also spent a semester abroad in India and Nepal. Grace hopes to use her dual professional perspective throughout her career. She is interested in doing more in the community around suicide prevention, crisis intervention and mental health literacy. She also hopes to be involved in improving the work of nonprofit and philanthropic institutions by combining her knowledge of social action and organizational development. Grace enjoys being involved in research that leads to community or institutional learning and growth. Her paper in this journal was partly written as a way to improve her service on a 9-member elected body called the Local Spiritual Assembly of the Bahá’í’s of Grand Rapids, which she has served on for almost four years.