

# The Board of Directors for Nonprofit Organizations It's An Entirely Different Conversation





**Back in the day ... The Nonprofit Board Experience** 



It's A New Day ... The Nonprofit Board Experience
Tables and Barriers are Disappearing



## The 21st Century Nonprofit Board Experience Even the Concept of a Board "Room" is being Redefined

### The Numbers Tell A Story ...

**BoardSource Leading with Intention** 

60% of board members say "not well informed"

48% not comfortable raising money

40% don't self-evaluate board performance

35% of boards don't perform CEO reviews

25% don't have an orientation process

### We're All In This Together

51% had no preparation for Board Chair job

16% became chair in first year, 54% in three years

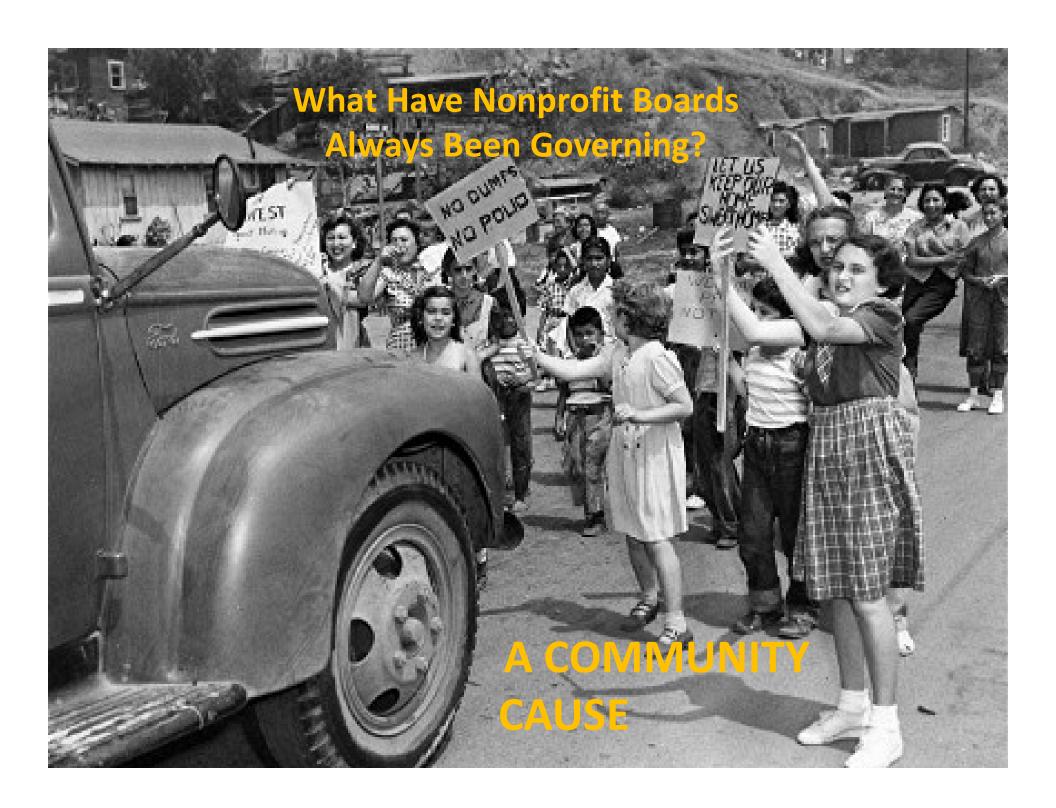
18% "actively interact" with contributors

65% of executives report leaving within 5 years

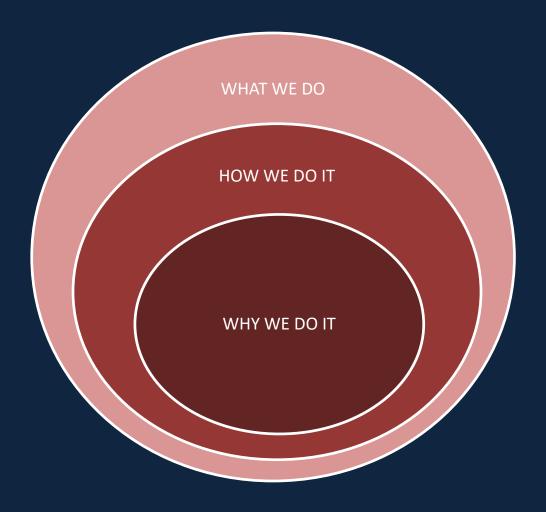
90% of Nonprofit Boards self-defined as "Not Diverse"

17% of Nonprofits report having a Succession Plan









Purpose-Driven Leadership Cause-Based Governance

#### Cause-Based Governance

Community Stewardship In Action

Concentrating on the "ends"

Knowing your place

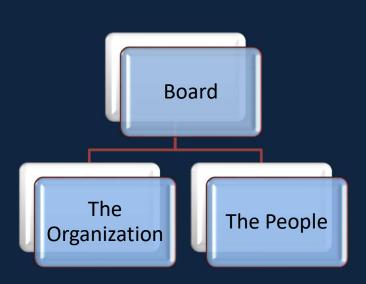
Understanding the business model

Knowing the logic model

Achieving five outcomes

# Q: Where Does The Board Sit? A: In the Center

**The Corporation** 



The Director and Stockholders

"The Trickle Effect"



The Trustee and Stakeholders

"The Ripple Effect"

#### Know The Business Model Difference

#### A Double-Bottom Line

#### **NONPROFIT**

- Tax Exempt but Reports
- Nonproprietary
- Paid & Voluntary
- Stakeholders
- Facilitated Consensus
- More Public & Restricted
- Generally Non-Purchasers
- Quality of Life ROI

THE <u>DOUBLE-BOTTOM LINE</u>
BUSINESS OBJECTIVE

### LEADERSHIP RESPONSIBILITY

TAXES
OWNERSHIP
HUMAN RESOURCES
DECISION PROCESS
MANAGEMENT
FINANCES
CONSUMERS
CAPITAL MANAGEMENT

#### **PRIVATE**

- Pays Taxes
- Proprietary
- Paid Only
- Stockholders
- Authoritative
- More Discretionary
- Purchasers
- Financial ROI

THE SINGLE-BOTTOM LINE BUSINESS OBJECTIVE

Your Responsibility is to create measurable social profit Your Most Accessible & Largest Source of Capital is Human



Premise of Need

SOCIETAL SITUATION

Commit ment

• MISSION & BELIEFS/VALUES

Inputs

• RESOURCES

Inter ventions

ACTIVITIES

Know The Logic
Model Difference
Your Theory of
Change in Action

Outputs & Outcomes

 SHORT- & LONG-TERM DIFFERENCES

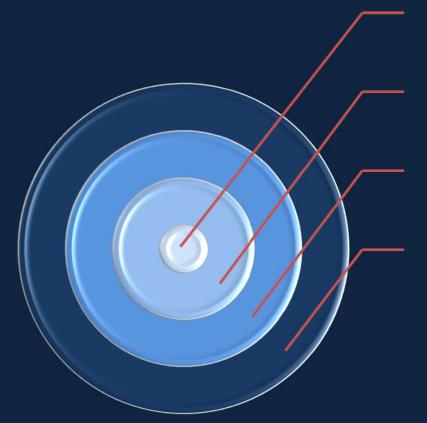
**Impact** 

SOCIETAL BENEFIT

BoardChairsAcademy

Taking Nonprofit Organizations to Higher Ground In Their Service to Others®

### The Nonprofit Board



Mobilize an Efficient Leveraged Infrastructure of Paid and Unpaid People Serving The Community

Evolve the Organization with the Community to Create Measured Impact

Be in Relationship with the Community as Advocates For Community Progress

Guarantee The Community A Resilient Organization

Cultivate The Next Generation of Community Leaders for the Cause

**GOVERNANCE AS STEWARDSHIP** 



#### **Boards Leading Community Causes**

Tacoma, Washington and Long Beach, California



# United Way of Pierce County Tacoma, Washington



# Downtown Long Beach Alliance Long Beach, California



The Board Challenge
Putting the Pieces Together



# It's A New Day ... The Nonprofit Board as Citizen Champions for Better Communities

**JW1** Jeffrey Wilcox, 11/18/2020



#### This is What it's All About ...

The Board Chairs Academy and Third Sector Company