

Succession Planning for the Non-profit Board Chair

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The Importance of Board Leadership

The quality of leadership of the Board of a non-profit organization is extremely important to its ongoing success and sustainability. Having a person in the chair's role who can provide real leadership, enable the organization's ability to be mission driven, and assist the Executive Director in raising funds and articulating the vision for the organization are key elements in a successful non-profit organization. A chair whom is a true leader can make a long-lasting impact on the organization. As one author puts it:

"Most organizations can survive the successful election to the Board of an individual or two whose group participation skills and leadership attributes are less than stellar, as other stronger members of the Board will generally neutralize any adverse consequences to the organization. However, placing Board members into the organization's highest leadership positions is a much higher-stakes proposition. Persons in elected leadership positions with mediocre leadership skills will, at best, do no harm, but might cause the association to miss strategic advantageous opportunities. Persons with poor leadership skills may create organization dysfunctions that may take years from which to recover, if ever." ¹

However, having a person provide this kind of important leadership in the role of Board Chair is not something that an organization can just inherently count on. Instead the leadership of the Board needs to be carefully managed and cultivated, and this commentary attempts to explore some of the things a Board can do to facilitate the preparation and succession of a stream of qualified leaders into this extremely important role of Chair.

Defining the Role of the Board Chair

The Board Chair needs to enter the role with a set of key skills and abilities and a thorough understanding of the roles and responsibilities of a Board member. This person serves as the senior volunteer in the organization and needs to have the ability to act as an orchestra leader, pulling together the Board, the staff, and the volunteers in the organization to all perform effectively together in fulfilling the organization's mission. Below are some of the skills and abilities of a successful Board Chair, followed by a listing of some of the key roles that the Chair needs to perform.

Knowledge, Skills and Abilities

1. **Demonstrate a strong knowledge of principles, ethics and practices of successful organizations.** This person should ideally have the highest integrity possible. In addition, the person should be able to clearly explain and lead by example in showing other Board members and the staff of the organization that they clearly understand the key differences between the governance role of the Board and the management role of the Executive Director and his or her staff.

Glossary

Executive Director The title of Executive Director (ED) is used in this paper as the leading and highest ranking administrative officer of the non-profit organization, whether they are paid or not. This is opposed to the individual who is ultimately in charge of the organization, which would be either the Board Chair or Board President, who is defined legally as the top individual role in governing the whole organization. The Executive Director acts the Chief Executive Officer (CEO) of the organization. The ED is responsible to the board, and the board has the ultimate responsibility for evaluating, hiring and firing the ED. The term ED is most commonly used in non-profit organizations, although some use the title of President or CEO, all depending upon the history, by-laws, and field of work of the organization.

Board Chair The Board Chair (*or Board President*) refers to the individual who chairs the board of directors, who is elected and is ultimately the spokesperson for the board of directors. This person is chosen based upon procedures defined in the by-laws and has responsibilities defined in state law for assuring accuracy of reporting and meeting various legal requirements of the not-profit organization. Additional duties of the Board Chair can be identified in the by-laws as well.

Defining the Role of the Board Chair (continued)

- II. **Demonstrate excellent verbal communication, interpersonal and relationship-building skills.** This person should be able to effectively work with a variety of people and personalities, showing respect and consideration of multiple points of view, being able to draw out all members of the Board in discussions. They also should have the ability to communicate clearly in person and in writing, as they will be required to represent the organization.
- III. **Effectively manage staff and Board.** The Board Chair, working in tandem with the Executive Director, needs to create agendas and board packets that provide the necessary and pertinent information to guide the organization towards its goals. Care needs to be taken not to include too much information or to overload the members. However, they should not filter out negative or contradictory information that may be necessary for good decision making, openness and transparency.
- IV. **Work effectively with a diverse set of stakeholders.** The Board Chair has many constituencies with whom he or she will interact and therefore must have the ability to communicate easily about the organization. But most importantly, they must be able to interact with openness and respect, constantly showing enthusiasm and commitment regarding the important mission the organization is trying to accomplish.
- V. **Be comfortable with presenting, informing and motivating individuals and groups about mission and philosophy.** Ideally the Chair is both articulate and persuasive, as on many occasions, they will have to speak to outside groups, volunteers, potential donors, and the press about the organization. However, irrespective of how refined their communication skills, they must be informed about, positive, and confident of the mission of the organization.
- VI. **Demonstrate clarity and strength in handling confidentiality.** The Board Chair is likely to have access to a wide variety of information that is confidential, such as salaries, donor histories, estate planning of donors, and many other things. If any of these were released or shared, it could prove to be devastating to the organization. Therefore, a demonstrated maturity and experience with handling such private matters is essential.
- VII. **Set the standard of behavior for the Board.** The Board Chair not only convenes the meetings, he or she also acts as a role model showing the maturity and seasoning that shows others how they should behave. The Chair is almost by definition, the “designated grown-up” who listens, shows respect and openness, and never acts outrageously or petulantly.

Roles of the Board Chair

Having described the skills, abilities and knowledge that the Board Chair should have, it is then important to define what exactly the Board Chair needs to do, clarifying the roles and expectations that accompany this critical role.

- I. **Focus on the mission of the organization and plans for the achievement of that mission.** This is the key strategic role that the Board Chair plays, constantly asking how a particular action or program leads the organization in more robustly meeting its mission. Essentially, the Board Chair constantly needs to keep the “eye” of the entire organization focused on the ball, helping everyone decide on what is important.
- II. **Partner with the Executive Director (ED).** The Board Chair ideally should be a true partner with the ED in charting the course for a non-profit organization, and may well also be a coach and a mentor. Clearly the Board Chair needs to know and respect the difference in roles between that of governance and that of

Defining the Role of the Board Chair (continued)

management, but in many ways the role of Board Chair is special and unique. The ED and the Board chair both need to clearly understand that the ED reports to the Board, and the Chair is the leader of that Board, but this doesn't need to make the ED "subordinate" to the Chair. In successful organizations, they are partners, each performing different and yet equally important functions.

- III. **Set norms and culture for the Board.** As discussed earlier in the section on skills, the Board Chair (more than anyone else in the organization) has the ability to set the tone regarding civility, respect, and the overall climate on the Board, and potentially within the organization itself.
- IV. **Meet individually with each Board Member to discuss the shared mission.** At least annually, the Board Chair should meet on a one-on-one basis with each of the other Board members about the mission, their perceptions of how the organization is doing, their concerns, and what leadership or other roles they might aspire to on the Board.
- V. **Engage the Board on outcomes.** The focus of the Board should be on accomplishment of the mission and the Board Chair should work with the Executive Director in working on ways of meaningfully measuring and evaluating outcomes, as a means of enhancing program efforts.
- VI. **Help to lead and facilitate fundraising efforts.** The Board has a responsibility of helping to raise funds to ensure the success of the organization and the Board Chair needs to assist and support these efforts. While the Board Chair is not responsible for the actual fundraising necessarily, they do serve as the symbolic head of the organization and need to be available to speak to donors and foundations as to the commitment of the Board and the importance of the organization to the community.
- VII. **Make significant donations to the organization.** While the Board Chair is not necessarily the lead donor, the Board Chair does have the responsibility of making a significant gift to the organization annually, thus giving this person the credibility to ask other Board Members and other donors for their support. If the Chair hasn't made a significant gift, it is very challenging to expect others to do so. Furthermore, it is very important in seeking funds to assure donors that 100% of the Board has participated in giving on an annual basis.
- VIII. **Represent the Board of Directors as a spokesperson to the general public and at outside events.** This role doesn't stop at the door of wherever Board meetings are held. It extends to public or civic meetings, to foundations, and wherever the story of your non-profit needs to be told. While it is imperative that the Executive Director (ED) be the usual spokesperson, there are many cases where both the Chair and ED be the voice of the organization. For these reasons, the Chair should have the information and the messages they need to convey articulated clearly and be consistent with those that the ED has been sending.
- IX. **Generate the Board meeting agendas in concert with the Executive Director (ED).** While it may be appropriate to have the primary preparation for Board meetings done by the ED, it is wise to work in concert between these two roles to jointly define the key issues that need to be discussed by the entire Board. It is also necessary to collaborate on what information is important to distribute ahead of time to shape the discussion. While there are many routine issues that the ED will need Board action on, the Board Chair and the ED should jointly discuss one or two "big issues" every meeting that deserves Board discussion in shaping the direction of the organization in furthering its mission.
- X. **Control and run the agenda, keeping within time limits.** During the actual Board meetings, a good Chair needs to deter some members from dominating or overpowering other Board members, and to seek input and call upon the more introverted members to get them to participate. All members should be able

Defining the Role of the Board Chair (continued)

to participate so the Chair does need to occasionally act as a “traffic cop”. The Chair also needs to keep an eye on the clock, and roughly to the time limits that they may wish to include on the agenda. Time must be kept track of so that all Board work gets done at a given meeting and so that meetings don’t constantly run over. It inconveniences and often frustrates members when there appears to be no order to the meetings.

- XI. **Demand good reports from the Executive Director (ED) and from committees.** On general reports, and especially with special new programs, the Chair should set clear expectations (for both the ED and Committee Chairs) to provide succinct, but adequate, reports that highlight key observations and recommendations, with clear action items (and possible alternatives) for the Board to consider. Background should be provided for Board members to understand the context of the recommendations. And while not directly germane to this discussion, the Chair should also demand that all Board members come to meetings prepared, having reviewed all materials that are sent out.
- XII. **Review financial and budgeting information with the Treasurer and the Executive Director (ED).** Especially on financial matters, it is not a good idea to get any surprises at a Board Meeting. Therefore, going over such things jointly prior to the meeting is a good idea (even via a phone conversation, with everyone having the same financial reports in front of them). That way, a thorough discussion can be had, decisions can be made regarding what information and background should be shared with the Board, and a strategy of how everyone participates can be decided upon. Having the treasurer (who, by definition, is a Board officer) present and involved makes sure that two sets of eyes that are responsible for governance can examine the information, fully assuming your fiduciary responsibilities and not just depending on the ED.
- XIII. **Work in close collaboration with the Board Development Committee.** The Board chair probably has an *ex officio* seat on several committees (depending on the specific by-laws), but it is especially important to work closely with the Board Development Committee (or Nominating Committee) to assure a constant flow of qualified prospects to become Board members. A dynamic and changing Board is generally a healthier organizational environment, rather than one where most of the Board has been there for a long time. Furthermore, selecting new Board members that may have the talent and expertise to be a future Board Chair should also be in their criteria, as will be developed more in the next section of this essay.
- XIV. **Select Committee Chairs in coordination with Executive Director and Board of Directors.** While the by-laws of various organizations will undoubtedly vary with respect to how Chairs are selected or assigned, the Chair will be consulted on such decisions, if not have full responsibility. As will be developed in the next section, such committee roles are important leadership positions to develop future Board leaders, and can be test beds to see if an individual has the appropriate skills and abilities for future leadership positions.
- XV. **Groom and help to develop the next chair.** Depending on how formally a Board’s policies or guidelines

Glossary

Committee Chair The term “committee chair” is used to designate the person who has responsibility for presiding over the deliberations and actions of a committee of the organization. Committees are established and designated by the board of directors, and the chair of that group may be appointed by the board, elected by the board, or chosen by the committee itself, all depending upon the by-laws of the organization. This person has responsibility for the conduct of meetings and reporting to the board as required. The chair may or may not be a board member, depending on what is designated in the by-laws.

Defining the Role of the Board Chair (continued)

are defined, the Board Chair may have a year or more to help make the transition for the Chair-Elect to assume the position of Chair as smooth as possible. While this may range from informal coaching to a form of “apprenticeship,” the Chair needs to fully support the next person as they move into the Chair’s role and the Chair steps out. Making this process seem seamless is crucial to the success of the organization.

Defining a Development Process for Future Board Leadership

At all too many non-profit organizations, the longer term leadership for governing the organization is left to chance. Such organizations end up pleading with an outgoing Chair who has already served for quite some number of years to “please, stay on just one more year...” As mentioned earlier, the vitality of a Board can be reflected in the turnover in the Board, as there is a desire of many volunteers to serve on the Board and to help the organization in any way they can. However, a common malady is for organizations to just try and fill Board slots, irrespective of whether or not the individuals are qualified and could contribute meaningfully, much less provide critical leadership. Such an organization may end up with a new Board Chair because nobody else will serve. The way to avoid such dilemmas is to consciously and deliberately plan and invest in Board members so that leadership succession is assured.

In the next section, some methods and a process of systematically trying to develop new leaders is suggested. However, before going into those practices, some cautionary comments might be appropriate to set the stage and to frame some concerns that are frequently associated with selection of leaders of a Board.

- ⇒ The candidate who openly seeks the leadership is not always the best candidate, and is often the person who should be avoided. Carefully analyze why the person so avidly wants this position. Is it to serve the organization, or to add to their resume? Make sure their motivation is to advance the mission of the organization.
- ⇒ Don’t wait for someone to stand up and volunteer, as the most appropriate candidate is not necessarily the most assertive or overt. In a discussion on your Board Development Committee or the Executive Committee of the Board, talk about each of the possible candidates, listing their strengths and weaknesses for the position. If someone is allowed to just volunteer, the necessary thorough discussion often ceases, and people just settle for the first volunteer so they can put this challenge behind them.
- ⇒ Be careful of selecting the loudest or most dominant person for the Board Chair, as you ultimately need someone to facilitate the involvement of all of the members. Often these characteristics can demand respect (or alternatively just be intimidating) but more skills are necessary than that, as discussed earlier.
- ⇒ Don’t let the biggest donor necessarily be the Board Chair. While philanthropy is critical to many non-profit organizations, the organization needs to focus on leadership and not just cater to the biggest givers, although clearly these two are not mutually exclusive.
- ⇒ Finally, it is important to recognize that leadership is situational, and that one must look for the characteristics that will be the best fit for your Board. For example, a strong and successful business leader that has shown a great bottom line doesn’t necessarily make the best leader for a mission-driven organization. Just because someone is the president of a big company, or a successful local businessperson, does not automatically mean that they have the right skills to lead your particular group. Look at the membership and the mission, and then decide who the best fit is.

Defining a Development Process for Future Board Leadership (continued)

The early stages of leadership development

Thinking about future potential Board leadership can begin as early as the initial stages of Board recruitment. One consideration in choosing future board members should at least be a passing consideration as to whether or not this candidate has any potential to provide leadership for the Board in a few years. While it is true that a Board Chair ultimately grows into his or her role, this process can and should be consciously developed by those on the Board who are looking toward the long-term future of the organization. Instead of just hoping that a highly qualified and appropriate leader will emerge, the Board should instead think consciously about developing younger Board members to assure that they could be ready to assume this leadership.

The Board needs to actively identify and invest in potential leaders, giving them opportunities to develop the necessary perspectives and skills to assume future leadership positions. One needs to be careful of not falling into the trap of looking for perfection, as every leader will undoubtedly have weaknesses as well as strengths. The challenge for the Board is to try to help the individual work on these weaknesses, and to allow them to further strengthen their skills. The Board can make committee assignments and provide committee leadership opportunities in a manner that will allow the person to grow and learn about different facets of the organization. This also provides the opportunity to test and prove their leadership. Volunteer opportunities and activities can highlight folks who really are committed to the organization. Keep an eye open for those that eagerly take on new assignments, report their outcomes in a timely manner, are constructive in their suggestions, and draw out the best in others.

The goal is not to identify an anointed leader early, but rather to have several board members in the leadership pipeline at all times. The Board may want to consider investing in training opportunities for potential leaders, and should try to mentor them with the current leadership and other established and respected members of the Board.

Defining a Process of Succession

As has just been developed, a non-profit may wish to recruit and invest in development of potential leaders. Ultimately, however, the organization needs to define a formal process for succession to the Chair's role. The by-laws of your organization may be different, but you may want to consider having Board leadership roles to include a Chair and Chair-elect, and possibly past Chair. The remainder of this section will assume that the Chair and Chair-elect are included in your board officers. While processes and by-laws may vary, usually a slate of candidates is put forward by the Board Development Committee (or Nominating Committee), including all officer roles. Certainly the Board can accept this slate, or they can nominate alternatives from the floor. But having everyone know once the elections are over who will succeed the current chair allows for mentoring and a systematic transition of power. Your Board may want to consider following something along the lines of the following guidelines, and then modifying them and possibly including them in the organization's by-laws. All of this depends on your organization's perspective on term-limits and on how often you wish to refresh the Board and its leadership.

Guidelines for Succession of the Board Chair

- I. The current Board Chair gives notice that he or she will not be seeking re-election to the Board approximately one year out, so that orderly planning can occur.
- II. The Board discusses the need for succession and invites all that are interested to submit their names to the Executive Committee.

Defining a Development Process for Future Board Leadership (continued)

- III. If no names are submitted, or if the Executive Committee feels that a more diverse candidate pool is desired, the Executive Committee will discuss alternatives and will seek out candidates for the Chair-elect.
- IV. Normally the person selected to be Board Chair will have served on the Executive committee of the Board or other significant role with the organization for a period of two years.
- V. The whole Board reviews the candidates that have been identified, discusses them thoroughly (asking the nominees, if present, to recuse themselves from this discussion).
- VI. The Chair-elect is elected by majority vote of the Board.
- VII. The Chair-elect works closely with the current Board Chair for the remainder of the current Chair's term to essentially apprentice for up to one year.
- VIII. The Chair-elect is then elected to the role of Chair.
- IX. Each year, the Board Chair must be re-elected to this role by a majority vote of the Board.
- X. Normally, the minimum planned service as a Board Chair is two years (although they need to be re-elected annually, according to the by-laws), and the maximum is three years. Exceptions can be made to this norm can be made by the Board, but the goal is to allow consistent leadership over time, but not allow the Board and the organization to have "institutionalized" its own leadership.

When the Chair Leaves

While the focus of this essay has been on how to develop and prepare leaders, it is worth mentioning that how a Board treats its exiting leaders is worth a special consideration. How past leaders are treated tells the rest of the Board the staff, volunteers, and donors something important about the culture of the organization. When a person steps down as Board Chair, they do not necessarily leave the Board, as they certainly can continue to serve as a Board member, depending on term limits or other consideration in the organization's by-laws. Some organizations have the past-Chair serve on the executive committee for at least one year, and this may be something that a group may want to consider in implementing by-law reviews. This person has probably devoted significant time and energy to the organization, and their service and leadership should be appropriately acknowledged and celebrated.

One needs to recognize that the person leaving the role of Board Chair is likely to experience some fairly dramatic shifts in their workload, going from being involved in virtually all aspects of the organization, to potentially having no role in the organization whatsoever. This set of changes may be welcomed, but in all likelihood they will remain highly invested in the organization, and this commitment can be capitalized upon. The incoming Board Chair may want to seek advice and counsel from this person, but this must be defined by the new Chair and his or her comfort level in involving the previous administration, even in an informal manner. If the outgoing Chair has been a good contributor, the new leadership should actively seek new and good ways for the past Chair to volunteer and to stay involved.

Conclusion

The Board leadership of a non-profit organization is critical to the success of the organization, but as previously stated, this doesn't just happen by chance. Thinking about the nature of leadership that is desired and ways to cultivate and develop leaders needs to be a conscious and structured process.