



## **Boards are the Most Underutilized Assets of Nonprofit Organizations**

**By Kathleen Welsh Beveridge**

Does your board add value?

In the ideal world, the executive director of a nonprofit would always be giving thanks for her board of directors -- in gratitude for their personal giving, assistance with fundraising, credibility, relevant knowledge, wisdom, brilliant ideas, and willingness to use their relationships to open doors.

In the real world, this isn't always the case. Engaging a board is a lot of work and many an executive director has wondered, "What are we getting out of this?" and "Is it worth the effort we're putting in?"

A BoardSource webinar confirmed my suspicion that boards are the most underutilized assets of nonprofit organizations. That begs the question, "How can nonprofits get more value out of this valuable asset?"

To get more value from our boards, we have to know what a board's true value-adding potential is, and then identify and implement strategies to reach that potential.

### **Ways That Boards May Add Value**

Here are seven ways that nonprofit boards may potentially add value for their organizations, paired with possible reasons that many boards aren't getting full value:

**1. Fiduciary oversight.** Your board can ensure that your organization's resources are used efficiently and effectively in pursuit of its mission. This is the most common way that boards add value. But if your board never asks questions about your organization's efficiency and effectiveness, you're not getting full value.

**2. Strategic insight.** Your board can help your organization figure out how to get from its present to its preferred future. If your strategic planning process presents staff-developed plans in full blown detail for board approval, you are not getting the value of board members' strategic perspective.

**3. Generative thinking.** Your board can help your organization figure out what its preferred future ought to be. Possible futures may be easier for board members to envision as they are less likely than staff to be invested in maintaining the status quo. Generative thinking asks what's really important and what problems most need solving. If you don't allow time for generative thinking during your board meetings, you are missing out on potential value. And your board is probably bored.

**4. Credibility.** Potential donors often look at the list of board members to decide if they should get involved. The right name on that list can open a lot of doors and pocketbooks. However, if your board members are unhappy with the way your organization uses their time or engages their talent, they are probably complaining to their friends and you are losing the value of their credibility.

**5. Giving.** The value of a board gift is not limited to the dollars given. The board member who makes a gift sets a powerful example for other potential donors and sends the message that she really cares about the mission of the organization. When a board member doesn't give, she is sending the opposite message.

**6. Opening doors.** There is tremendous value to be gained through the connections and relationships of your board members. If they won't share their contacts, they probably have concerns about the way their friends might be approached. Building trust through small steps like issuing event invitations and making follow-up calls might help your organization gain more value here.

**7. Asking.** This is the activity with the greatest potential to add value for your organization. It is also the greatest cause for anxiety among board members. There is no substitute for a carefully outlined and executed cultivation process that trains board members in asking techniques, engages them directly in the process, and thoroughly respects their wishes for the handling of each solicitation.

### **Strategies to Maximize Value-Adding Potential**

Here are five strategies to get more value from your board:

**1. Study the three modes of governance** outlined by Chait, Ryan, and Taylor in "Governance as Leadership: Reframing the Work of Nonprofit Boards." (Wiley, 2005). This book provides many examples that will help you tap into these modes on a regular basis.

**2. Engage the board** in each of the different modes by consistently **creating agendas** that include fiduciary, strategic, and generative items.

**3. Help board members** to understand their roles and responsibilities by **providing a job description** that includes a clear description of all the ways they are expected to add value. Review this job description with all potential board members and at an annual orientation session in which all board members participate.

**4. Provide training** for board members in those behaviors in which you most need and want them to engage. Training teaches, models, and emphasizes the desired behavior, making it more likely that you will get the desired result.

**5. Know your board members** -- their areas of expertise, skills, and interests. When you do, you'll know how to successfully invite them to lead discussions and participate in initiatives where they can add the greatest value for your organization.

We're here to help you get more value from your most valuable asset -- your board. Contact us if you would like to discuss any of these strategies or any other projects in which you think we may be able to assist you.

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