

Tuning Up the Board & Senior Executive Partnership

Tuesday February 27, 2024
1:00 – 2:00 PM



 **IntegralOrg**

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Mohkinsstis
Land Acknowledgement

Bearspaw First Nation **Siksika First Nation**

Piikani First Nation **Goodstoney First Nation**

Chiniki First Nation **Kainai First Nation**

Tsuut'ina First Nation

Métis Nation of Alberta, District 5 and 6

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Your facilitator for

Tuning Up the Board and Senior Executive Partnership

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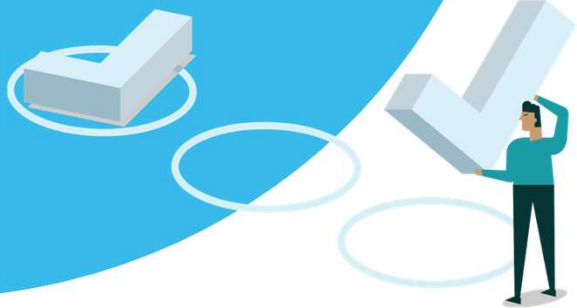
Overview

- Theory: The role of the board and the role of the senior executive
- Challenges and expectations of the board and senior executive relationship
- Reality: Separate and overlapping responsibilities
- Resources

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Poll:

Does your organization have a single senior executive position?



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“

Boards are a unique and curious leadership structure.

They have significant power, **but only as a collective**, since no individual board member can enact anything independently.

They sit both atop and outside of the organizational structure, with a role that is **accountable to those outside of the organization as well as those within.** ”

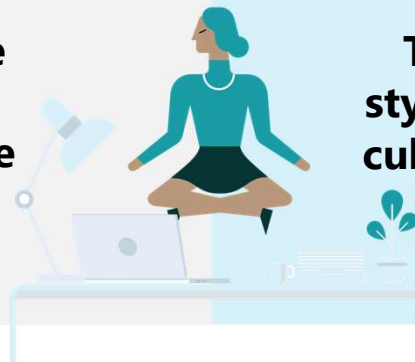
Stanford Social Innovation Review, 2021

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Balancing Theory and Reality

Governance theory and best practice

The structure, style, history, and culture of a board



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The board is responsible for all aspects of the organization, including overseeing its operations and holding management accountable for delivering on the mission of the organization.

Boards are required to make decisions that are in the organization's best interests.

CPAC, 2014



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The Role of the Board



- **Direction** – setting and refining the overall purpose, mission and direction of the organization
- **Oversight** – monitoring the activities, health and ethical behavior of the organization
- **Resources** – ensures that the organization is equipped to fulfill its purpose

Source: BoardSource, 2022

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The Role of the Senior Executive



- **Execution** – planning, directing, and implementing the activities that advance the organization's purpose.
- **Informing** – providing relevant and timely information to allow the board to make informed decisions.

Source: BoardSource, 2022

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Let's hear it!

What do you think makes for a good Board & Senior Executive relationship?



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The Challenge of Governance

Organizations are faced with two deeply problematic options in determining how they will govern:

- The board is sidelined in many strategic decisions, leaving the organization vulnerable to CEO transition or leadership challenges.
- Decisions are made by an ill-informed board. Nonprofit work increases the potential for negative impact on our society's most vulnerable and marginalized.



Source: Wallestad, SSIR, 2021

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Challenges with Board & Senior Executive Relationships

- **Lack of trust** regarding roles, responsibilities, and activities of the board and the senior executive.
- **Poor working relationships** between board members and/or the board and executive.
- **Misaligned expectations** between the activities and performance of the organization
- **Challenges engaging and utilizing the skills and expertise of board members in an appropriate manner.**



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What should Boards expect from the Senior Executive?

- To be kept informed of key information, events, and insights
- To be supported in their own board development
- To be treated as a collective of equals
- Honesty, openness, candor and respect
- To be supported and engaged in their collective decision making



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What should the Senior Executive expect from the Board?

- To speak with one voice
- To attend the process and culture of developing an effective governing board
- To support management decisions
- To set clear and attainable performance expectations
- Honesty, openness, candor and respect



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Characteristics of a Strong Board/Senior Executive Partnership

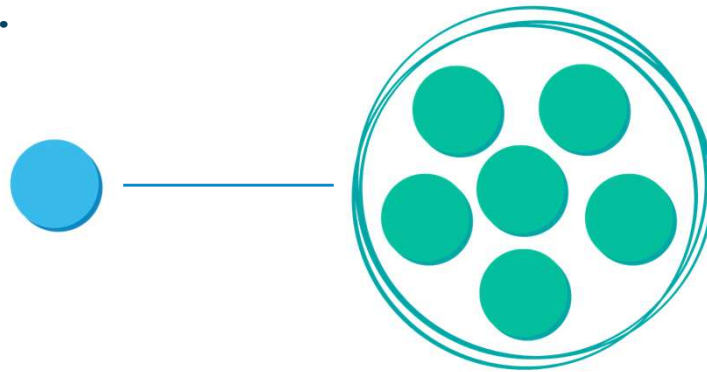
- A commonly held understanding of the vision and direction of the organization
- Candor and a culture of trust
- Clear, relevant, and regular communication between the CEO and Board / Chair
- Sharing of information and creating an environment for sensemaking
- Both parties intentionally focusing on their own performance and development



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The relationship between the board and senior executive

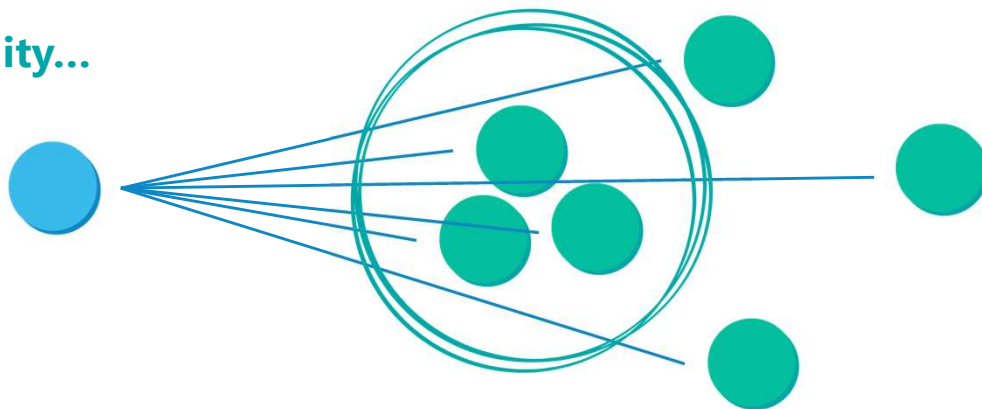
In theory...



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The relationship between the board and senior executive

In reality...



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Board and Senior Executive Responsibilities

The senior executive and board need a strong partnership in order to effectively lead an organization.

Confusion over individual responsibilities is a common reason this partnership becomes fractured.



Source: BoardSource, 2022

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Shared Leadership

Source: Bolend, 2011

Shared leadership is a leadership style that distributes leadership responsibility, such that people within a team and organization lead each other.



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Board and Senior Executive Responsibilities

Board Meetings

Source: BoardSource, 2022

Board/Governance	Shared	Chief Executive/Management
Chair leads and facilitates board meetings	Develop meeting agenda	- Ensure board members have necessary information and meeting materials - Attend meetings, except specific executive sessions



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Board and Senior Executive Responsibilities

Budget and Finances

Source: BoardSource, 2022

Board/Governance	Shared	Chief Executive/Management
- Ensure adequate financial resources - Protect assets - Provide financial oversight - Review and approve annual budget - Oversee annual audit process	Fiscal stewardship	- Budget: prepare and propose to the board - Ensure activities align with board financial policies and budget guidelines



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Board and Senior Executive Responsibilities		
Public Relations and Communications		
Source: BoardSource, 2022		
Board	Shared	Chief Executive/Management
- Promote and advocates for the organization's work and purpose with public policy makers - Speaks on behalf of the board in controversy or crisis	- Develop unified messaging about the organization's purpose that can be used by everyone within the organization - Public Policy Advocacy	- The public face and official spokesperson for the organization - Coordinate public relation, communications, and advocacy efforts
		

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Board and Senior Executive Responsibilities		
Policy and Planning		
Source: BoardSource, 2022		
Board/Governance	Shared	Chief Executive/Management
- Develop or review guiding principles, purpose, and policies - Oversee board involvement in strategic planning - Monitor that organization's activities align with guiding principles and strategic plan	- Mission impact - Strategic planning and program evaluation - Organizational growth and sustainability	- Carry out mission - Administrative support for board policymaking - Engage board in planning - Implement strategic plan - Monitor organization's activities for impact - Relay activity information needed by board to evaluate effectiveness, impact, and outcomes
		

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Go-to governance resources for non-profits:

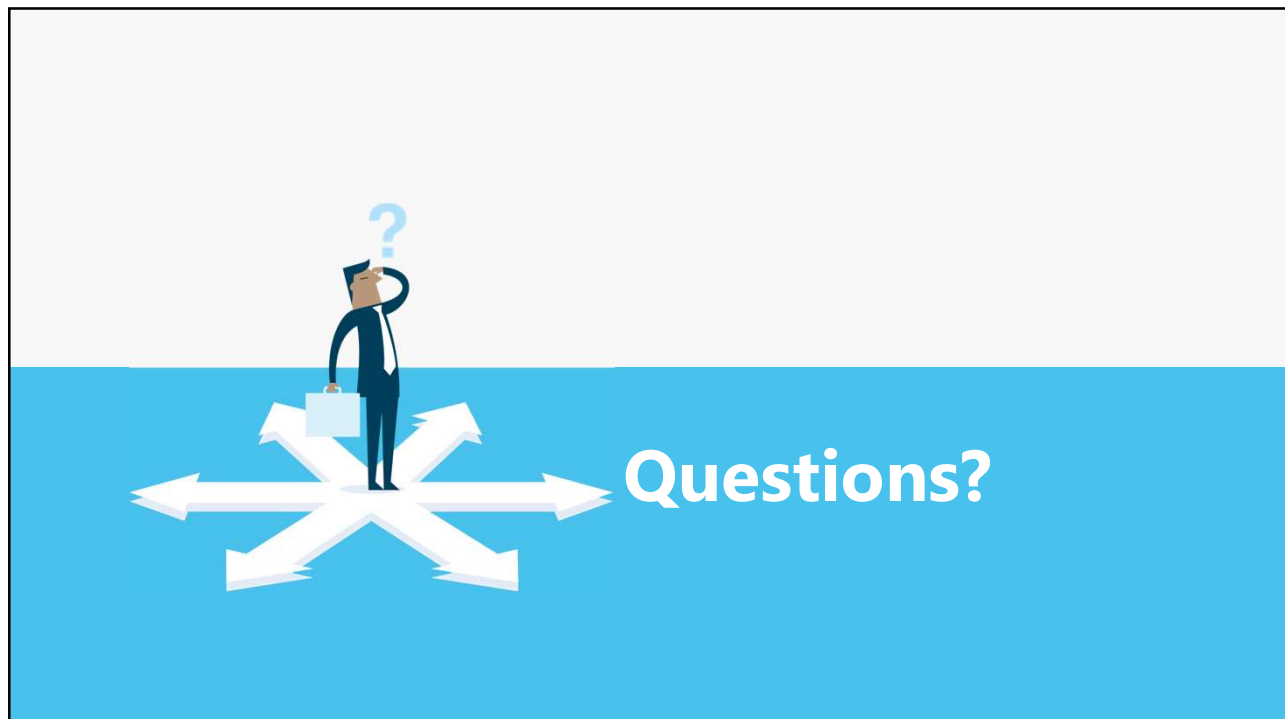
Imagine Canada Standards Program Handbook: The Governance section contains shared standards for charities and nonprofits in board leadership, board oversight, and governance policies and processes.

The Board Development Program: Alberta-based resources for nonprofit governance.

Chartered Professional Accountants of Canada: A wide range of high quality and up-to-date resources on nonprofit finance, governance, and human resources.

BoardSource: BoardSource provides leaders with an extensive range of tools, resources, and research data to increase board effectiveness and strengthen organizational impact.

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Thank you for attending!

IntegralOrg helps Alberta nonprofits thrive, flourish, and achieve through education and support in governance, leadership, strategic planning, risk management, financial management, and legal support.

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