



# CULTURAL COMPETENCE CONFERENCE

## Leadership Development Through Board Experience

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# Session Objectives

- Maximize leadership development through nonprofit board experience
- Translate organizational goals to individual goals
- Consider practical recommendations for limited budgets and limited time



## **BVU links businesses and nonprofits to foster excellence in the nonprofit sector.**

- Established by business community in 1993
- Linked over 140 businesses to over 800 nonprofits in 2009
- Trained and matched 1,800 professionals to 399 nonprofit boards since 1993



# Service to Business – served over 140 in 2009

- **Board Matching**
- **Volunteer Consulting**
- **Team Building**



## Service to Nonprofits - served over 800 in 2009

- **Volunteer Referral**
  - **Board Members**
  - **Volunteer Consultants**
  - **Direct Service Volunteers**
- **Training**
- **Consulting**



# Board Matching for the Individual

- **Application**
- **Interview**
- **Referral Process**
- **Training**

# Board Matching for the Nonprofit

- **Needs Assessment**
- **Referral**
- **Election**



# Benefits

- Community
  - More effective nonprofit boards
  - Increased access to a wide range of skills and expertise
- Individual
  - Leadership development
  - Personal satisfaction
  - Increased ties and networks within the community
- Employer
  - Leadership development for executives/professionals
  - High-impact and meaningful community service
  - Increased networks and visibility in community
  - Employee retention

# Sector Trends

## 1. Strategic and financial pressures

- 80% predict an increase in demand
- 71% NEO nonprofits concerned about meeting their expenses in 2010
- Majority predict decreases in government and foundation giving; 47% have higher hopes for earned revenue
- 30% believe the current recession will have a permanent impact on their financial situation



# Sector Trends

2. Strategic alliances
3. Increased scrutiny
4. Sector growth
5. Regionalism
6. Funding/giving



# Address Financial Challenges

- **Make sure that the board has a realistic picture of the organization's financial situation**
- **Create cash flow projection and update forecast on a regular basis (quarterly)**
- **Create contingency plans**
- **Work closely with chief executive**
- **Increase fundraising efforts**
- **Tighten the belt**
- **Increase board engagement**
- **Evaluate compensation structure**
- **Guard the mission**

**“The board of directors bears the primary responsibility for ensuring that a charitable organization fulfills its obligations to the law, its donors, its staff and volunteers, its clients, and the public at large.”**

-Principles for Good Governance and Ethical Practice,  
*The Panel on the Nonprofit Sector*  
October 2007



# The Role of the Board of Directors

- 1. Determine mission, vision and strategic direction**
- 2. Establish and strengthen community relations**
  - Ambassadors
  - Talking points

# The Role of the Board of Directors

## **3. Select and support the chief executive**

- Annual performance review
- Adequate salary and benefits (based on comparable compensation & benefit data)
- Succession plan
- Open doors

## **4. Develop funding resources**

- Annual financial contribution
- General fund development activities

# The Role of the Board of Directors

## 5. Provide financial oversight

- Adequate accounting skills (staff & board)
- Annual budget
- Regular financial statements
- Annual audit
- Investment policies

# The Role of the Board of Directors

## **6. Ensure legal and ethical integrity**

- Duties of care, loyalty and obedience

## **7. Develop the board**

- Governance Committee
- Best practices

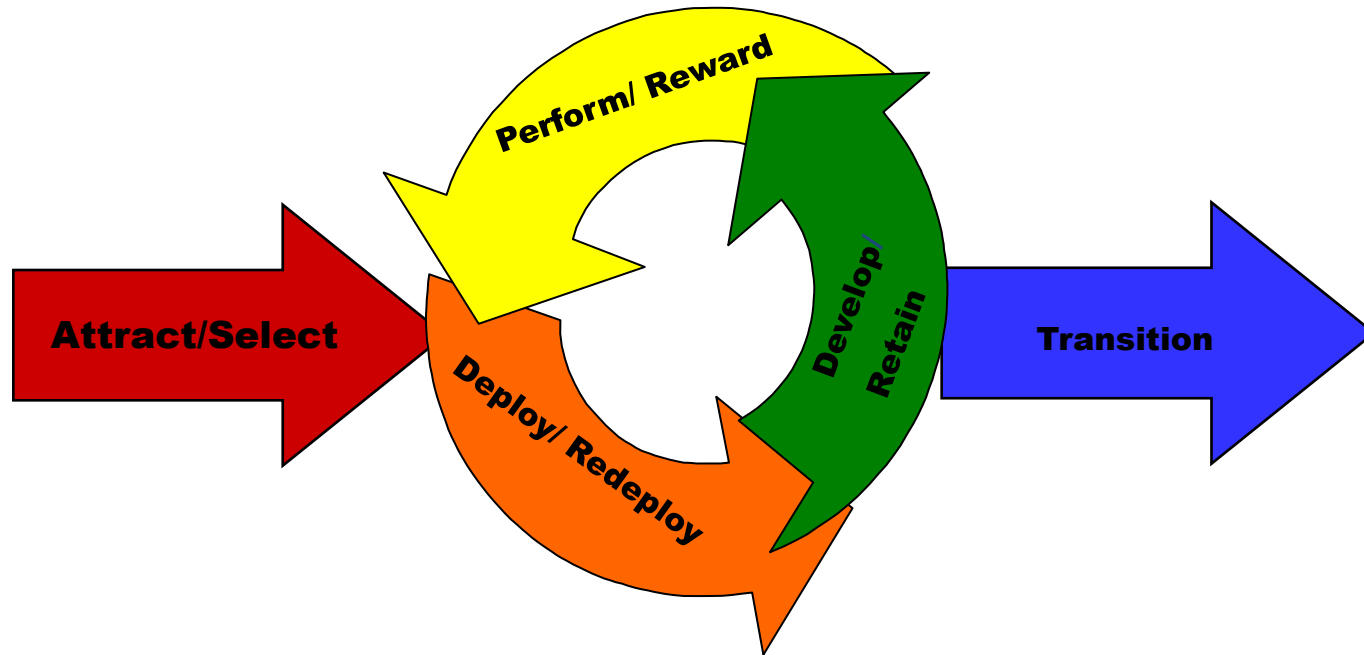


# The Role of the Board of Directors

“There is a great difference  
between sitting on a board  
and serving on a board.”



# People Management Life Cycle





# Why Does This HR Stuff Matter?

It impacts your ability to:

- Retain good people

- Have motivated and satisfied employees

- Have employees focused on the right things

- Attract talent

This impacts your ability to achieve your mission

## People Management Lifecycle *Perform and Reward*

### Reflection...

**Think for a moment about the bosses who have made the greatest impact on your life. There are undoubtedly positive things you can say about each memorable boss:**

- \_\_\_\_\_ *taught me the value of* \_\_\_\_\_
- \_\_\_\_\_ *encouraged me the most by* \_\_\_\_\_
- \_\_\_\_\_ *challenged me the most by* \_\_\_\_\_
- \_\_\_\_\_ *was honest with me about* \_\_\_\_\_
- \_\_\_\_\_ *helped me learn how to* \_\_\_\_\_

**The bosses who make an impact on employees CARE about who they are and what they aspire to be ...They GIVE FEEDBACK!**



# People Management Lifecycle

## Perform and Reward

### **A Successful Performance Management Process Depends on the Following . . .**

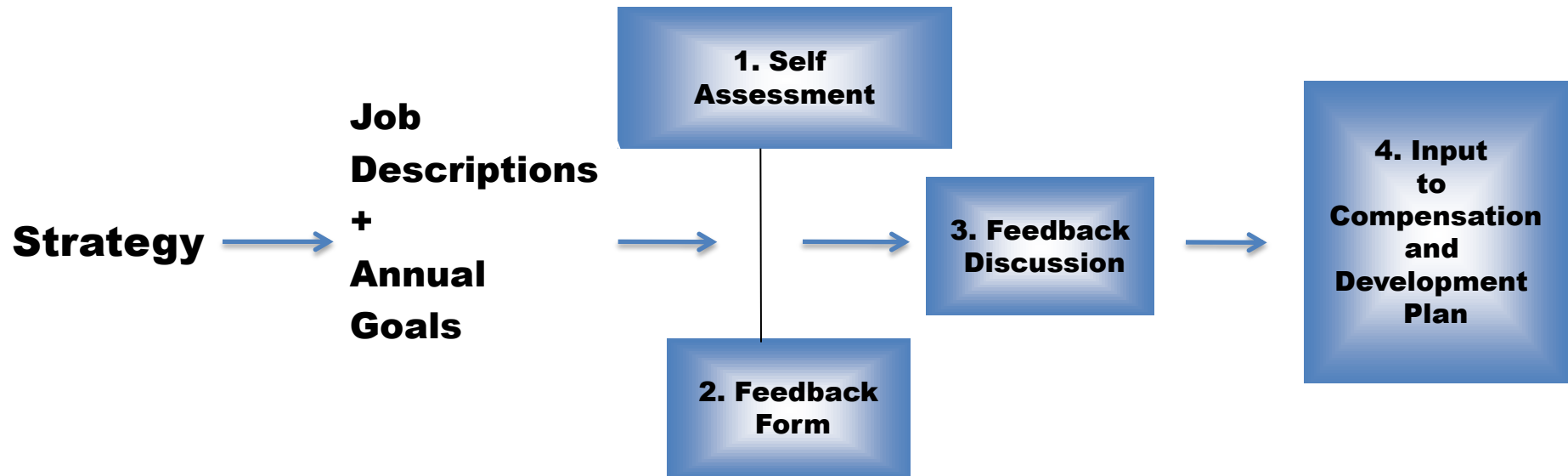
- **Evaluating employees in alignment with clear objectives**
- **Leaders committed to the process**
- **Assessments are thorough (multiple points of view...supervisor and 3rd party stakeholders) and consistent**
- **Assessments are fair**
- **Written assessments and discussions are well executed**

***Employees have high expectations***



# People Management Lifecycle

## Perform and Reward



# **People Management Lifecycle**

## ***Perform and Reward***

**Annually each supervisor should complete a formal evaluation in view of the employees' annual goals. It should:**

- **Give feedback on performance and contribution - employees have the right to know how their performance has been assessed**
- **Provide constructive feedback for performance improvement and career development**
- **Provide realistic assessment of career potential**
- **Understand employee's career aspirations and to help individuals achieve their goals**
- **Provide input to compensation**

**Improving FUTURE performance and personal satisfaction is the overall objective of the process.**

# People Management Lifecycle

## Perform and Reward

### Development Plans

- Purpose is to have a specific plan for steady professional growth
  - Ensure it is comprehensive
  - Revisit it periodically to maintain momentum
  - Tie to a succession plan
- Opportunity for person to list out their career aspirations and development needs