

Essential Board Plan Workbook

a self-guided, virtually facilitated process for
nonprofit board directors to create an annual board plan

Developed by



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PREWORK READING: BOARD ROLES TO BOARD GOALS

The primary purpose of nonprofit boards, according to Thomas Wolf, author of **The Nonprofit Organization**, is to serve as guardians of the public trust, as invested by government in nonprofits through their tax-exempt status. In keeping with this trust, Wolf believes that boards have six primary roles and responsibilities they must fulfill:

1. *Determine the organizations mission, set policies for its operation, and establish its general course from year to year.*
2. *Establish fiscal policy and boundaries, including budgets and financial controls.*
3. *Provide adequate resources for the organization through direct financial contributions and a commitment to fundraising.*
4. *Select, evaluate, and, if necessary, terminate the appointment of the chief executive.*
5. *Develop and maintain a communication link to the community.*
6. *Ensure that the provisions of the organization’s charter and the law are being followed.*

Just as organizational goals flow from an organization’s mission and organizational objectives flow from organizational goals, so board goals flow from board roles. We can revisit each of Wolf’s six primary board roles in this light and imagine possible goals that a board might set for achievement in each area in a given year. Remember, these are goals for the board, not for the organization. The table below includes possible board goals derived from the six board roles.

Table 1: Possible Board Goals from Board Roles

POSSIBLE BOARD GOALS FROM BOARD ROLES	
<p>Policy Making</p> <ul style="list-style-type: none"> Develop Articles of Incorporation Develop and update bylaws Develop and update directors’ manual Review and revise mission Create strategic plan Set policy in key areas 	<p>Executive Supervision</p> <ul style="list-style-type: none"> Hire executive director in straightforward process, including a clear job description On a regular basis, evaluate performance using a formal process or specified criteria Provide support to ensure the executive’s success
<p>Fiscal</p> <ul style="list-style-type: none"> Develop, approve, monitor and amend budgets Establish fiscal controls 	<p>Communication</p> <ul style="list-style-type: none"> Assist in the organization’s external communication efforts in some capacity Ensure the public is represented within the organization
<p>Resource Development</p> <ul style="list-style-type: none"> Develop a strategy to contribute to fundraising, including personal cash gifts Assist in fundraising efforts in some capacity Increase fundraising skill through training 	<p>Compliance</p> <ul style="list-style-type: none"> Identify relevant standards and statutes Establish compliance controls

Different Boards Define Roles Differently

Some boards define their essential roles somewhat differently. They might add or drop a role from Wolf's list of six. For example, many boards consider board development to be a primary board role. The table below shows some sample goals for boards in fulfillment of this role.

Table 2: Sample Board Development Goals

SAMPLE: BOARD DEVELOPMENT GOALS
<ul style="list-style-type: none"> ○ Develop and implement board recruitment strategy ○ Develop and implement board leadership succession strategy ○ Design and implement more strategic board meetings ○ Develop and monitor board goals from board roles ○ Increase board capability through training ○ Restructure board committees for greater effectiveness

Bridgespan (www.bridgespan.org) reviewed the extensive literature on board roles and identified seven common ones in the article, *Becoming a More Effective Board Member*. See the governance roles identified by their research in the following table. Notice which roles are similar to Wolf's six and which are different.

One can easily imagine the implications of this way of thinking on a board. Board roles focus on governance. Setting board goals based on board roles focuses the board's attention on its governance function. Of course, if a board isn't focused on governance, no one is.

Boards with board goals can more easily measure success and build a sense of accomplishment. Boards with board goals tend to choose committee structures that help them achieve their goals. The table below shows committees that are suggested by the board roles described by Wolf and Bridgespan.

Table 3: Committees Suggested by Board Roles

COMMITTEES SUGGESTED BY BOARD ROLES		
Wolf's Roles	Bridgespan's Roles	Possible Board Committees
Determine mission; set policy	Adherence to mission	Strategic planning
Fiscal policy; Compliance	Financial and legal oversight	Finance; Audit
Resource development	Fundraising	Development
Executive supervision	Executive oversight	Executive
Communication	Community support	Community relations
	Board oversight	Board development
	Support and expertise	

Each committee can develop a workplan that maps a path to achievement of the board's goals in its area. Collectively, that ensures success in fulfilling the board's essential roles.

WORKSHEET – KEY BOARD ROLES – REQUIRED PREWORK FOR TASK 1

Board roles focus on governance. Setting board goals based upon board roles focuses the board's attention on its governance function, enabling the board to more easily measure success and gain a sense of accomplishment.

Instructions:

1. List 5-7 key governance roles of your nonprofit board.
2. Bring this completed worksheet with you to the Board Workshop where you will compare your notes with your fellow board members.

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WORKSHEET – DISCUSSION: KEY BOARD ROLES – TASK 1(A)

Exercise: Pairs Discussion, Key Board Roles

Instructions:

1. Find one partner for this exercise.
2. With your partner, compare notes and ideas from the Pework assignment. Do you agree with the roles listed in the Pework? Should you board add or subtract roles from the suggested ones?
3. With your partner, agree on 5-7 key board roles; Record your answers on this worksheet and be ready to share your views with the entire board.

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WORKSHEET – OUR 5-7 KEY BOARD ROLES – TASK 1(B)

Exercise: Large Group Discussion, Key Board Roles

Instructions:

1. *Share your suggested roles with the rest of the board.*
2. *Help your board agree on 5-7 key governance roles you all listed as important for your board.*
3. *Record these 5-7 key governance roles onto this worksheet.*

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Congratulations! You have completed a major task in this workshop.
You are now ready to begin a Board Self-Assessment.

WORKSHEET – OUR BOARD SELF-ASSESSMENT – TASK 2

Exercise: Small Group Discussion, Board Self-Assessment

Instructions:

1. Divide into small groups of 4-6 people. Identify Facilitator, Recorder, Reporter and Timekeeper.
2. Select **one** board role to discuss and review in your group.
3. Brainstorm all actions your board is currently doing to fulfill this role. List the actions you want to continue in the “Plus” column on the left side of this worksheet.
4. Brainstorm the actions that your board could be doing to help accomplish this role more effectively. These are actions you want to start doing, stop doing, or do differently. List these in the “Delta” column on the right side of this worksheet.
5. Star (★) your top three most important actions in each column. Stars indicate that these actions require important follow-through by your board.

As a reference, see Table 1: Sample Board Self-Assessment

Board Role:

Plus (+)	Delta (Δ)

Table 1: Sample Board Self-Assessment

SAMPLE: BOARD SELF-ASSESSMENT	
Board Role: <i>Develop Resources (fundraising)</i>	
Plus (+)	Delta (Δ)
<i>Everyone on the board donates to our annual appeal</i>	<i>We never set a Board fundraising goal (and we raise less than \$3,000/year). ★</i>
<i>Most of us are comfortable with asking for donations from key stakeholders.</i>	<i>Some of us want training on how to ask for money—feel uncomfortable.</i>
<i>We have an active, functioning development committee. ★</i>	<i>The development committee needs clearer goals for the coming year. ★</i>
<i>We have good participation by board members in special events. ★</i>	<i>The board has not endorsed a formal development plan. ★</i>
<i>Most board members can speak with enthusiasm about the mission of the organization. ★</i>	<i>Board members could personally thank donors this year with telephone calls.</i>
<i>Board members introduce new people to the organization.</i>	<i>More board members could sponsor tables at special events.</i>
<i>We recruited one board member with professional development experience.</i>	<i>We could hire a development consultant to work with us.</i>
<i>The board has a standing agenda item to discuss development.</i>	<i>We could research and determine which fundraising coaching method would work for us.</i>

WORKSHEET – PRELIMINARY BOARD GOALS – TASK 3

Instructions:

1. Write down possible board goals for this governance area based upon your self-assessment.
2. Include as goals some actions you are already doing that you wish to continue.
3. Include as goals some actions you wish to begin, stop or do differently.

As a reference, see Table 1: Sample Our Preliminary Board Goals - Fundraising

Table 1: Sample Preliminary Board Goals - Fundraising

SAMPLE: OUR PRELIMINARY BOARD GOALS - FUNDRAISING
Board Role: <i>Develop Resources (fundraising)</i>
<i>Set annual fundraising goal target for the board; increase giving from \$3,000 to \$5,000 this year.</i>
<i>Ensure that the organization creates a formal development plan that includes diverse revenue sources.</i>
<i>Continue active participation by board members at special events.</i>
<i>Establish measurable goals for the development committee in the coming year.</i>

OUR PRELIMINARY BOARD GOALS
Board Role:

OUR PRELIMINARY BOARD GOALS
Board Role:

WORKSHEET – OUR BOARD COMMITTEES – TASK 4(A)

Instructions:

1. List the 5-7 board governance roles you have already chosen for your board (Worksheet Task 1(B))
2. Assign responsibility for fulfilling each governance role to the appropriate existing committee.
3. If no committee exists, consider forming a new committee.
4. For those committees that don't seem to serve/support an agreed upon governance role, consider retiring the committee.

As a reference, see Table 1: Sample Our Board Committees

Table 1: Sample Our Board Committees

SAMPLE: OUR BOARD COMMITTEES		
Board Role	Board Committee	Committee Chair
<i>Supervising executive</i>	<i>Executive</i>	<i>Sally Smith, Board Chair</i>
<i>Developing resources</i>	<i>Development</i>	<i>Kaleesha Kent</i>
<i>Monitoring finances</i>	<i>Finance; Audit</i>	<i>Jose Manila, Board Treasurer</i>
<i>Developing board</i>	<i>Board Development</i>	<i>Need to recruit</i>
<i>Adhering to mission</i>	<i>Strategic planning (ad hoc)</i>	<i>Julie James</i>
<i>Maintaining community relations</i>	<i>Form new: Public Relations</i>	<i>Need to recruit</i>

OUR BOARD COMMITTEES		
Board Role	Board Committee	Committee Chair

WORKSHEET – OUR ACTION PLAN – TASK 4(B)

Instructions:

1. Record agreements about next steps, persons responsible, and deadlines.

Table 1: Sample Action Plan

SAMPLE: ACTION PLAN		
Task	Person Responsible	Deadline
<i>Publish notes</i>	<i>Board Chair or facilitator</i>	<i>Sept 10</i>
<i>Review results and action plan</i>	<i>Executive Committee</i>	<i>Next EC mtg</i>
<i>Identify or confirm committee chair leadership</i>	<i>Executive Committee</i>	<i>Next EC mtg</i>
<i>Document proposed board goals; distribute to board in advance of meeting</i>	<i>Committee Chairs</i>	<i>Sept 30</i>
<i>Compile Essential Board Plan</i>	<i>Board Chair</i>	<i>Sept 30</i>
<i>Maintain community relations</i>	<i>Form new: Public Relations</i>	<i>Need to recruit</i>
OUR ACTION PLAN		
Task	Person Responsible	Deadline

WORKSHEET – COMMITTEE GOALS – POSTWORK (B)

Instructions for Committee Chair:

1. Repeat the goal-setting activity you did at the Board Workshop for your role area. If you completed it at the workshop, review and revise your results.
2. Revise your goals to make them SMART (specific, measurable, actionable, realistic and timebound).
3. Know that this content, once approved by the board, is the core deliverable of the Essential Board Plan: committee-driven, board-approved board goals linked to governance roles.
4. After you have completed this worksheet with your committee, send a copy of the goals to your Board Chair who will collate and share all committee goals with the board. The board will review, revise and approve them at the next board meeting. After that, your committee goals will be formally included in your Essential Board Plan.

Instructions for Committee Members:

1. Record possible board goals for this governance area based upon your self-assessment.
2. Include as goals some actions you are already doing that you wish to continue.
3. Include as goals some actions you wish to begin, stop or do differently.

OUR COMMITTEE GOALS FOR THE NEXT 12 MONTHS

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The Essential Board Plan

Board Role		Goals	Status
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Committee Name		2.	
		3.	
Chair		4.	
		5.	
Members			
Board Role		Goals	Status
		1.	
Committee Name		2.	
		3.	
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The Essential Board Plan

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