Becky Bowen She is an attorney and has served several nonprofit organizations in various capacities, including communications director, general counsel and executive director. She currently is a Co-Director of Carolina Common Enterprise, a nonprofit cooperative and community development center.

Jessica Katz Jameson is an Associate Professor in the Department of Communication at NC State University. She teaches courses and conducts community-engaged research on the topics of organizational communication, conflict management and nonprofit leadership. She chairs the Academic Council for the Institute for Nonprofits and serves on the Extension, Engagement and Economic Development task force for the College of Humanities and Social Sciences.

Susan Scherffius Jakes is the Associate State Program Leader for Community Development, an Extension Assistant Professor with NC Cooperative Extension and an Adjunct Professor in Psychology at North Carolina State University. She received a Ph.D. in Community Psychology from North Carolina State University.

Mary Tschirhart is a Professor of Public Administration at The Ohio State University. She served as Director of the Institute for Nonprofits and Professor of Public Administration at NC State University from 2008-2013. She has published extensively on nonprofit topics including board governance. She recently co-authored a text titled *Managing Nonprofit Organizations*. Dr. Tschirhart has served on six nonprofit boards in a variety of roles, including president, and led a nonprofit as its executive director.

Module 1

Foundations for Transforming Board Practice

Goals for this Module

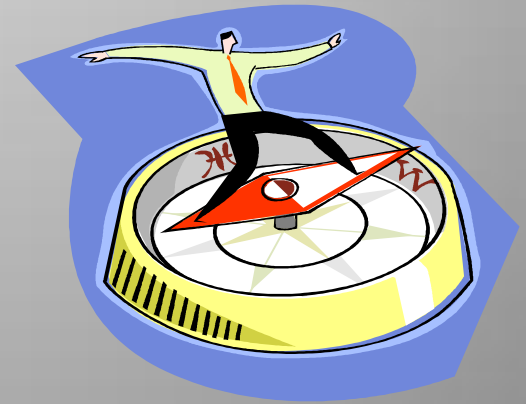Participants will be able to:

- Define Governance

- Explain the difference Between Oversight and Generative Governance

- Identify Three Ideas for Building Generative Governance into Your Board Activities

Opening Activity

Board is to **organization** as _____

is to _____?

What is Governance?

Governance is "the process of providing strategic leadership to a nonprofit organization. It entails the functions of setting direction, making policy and strategy decisions, overseeing and monitoring organizational performance, and ensuring overall accountability. Nonprofit governance is a political and organizational process involving multiple functions and multiple stakeholders."

David Renz (http://bloch.umkc.edu/mwcnl/**)**

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Governance as Leadership
(Chait, Ryan & Taylor, 2005)
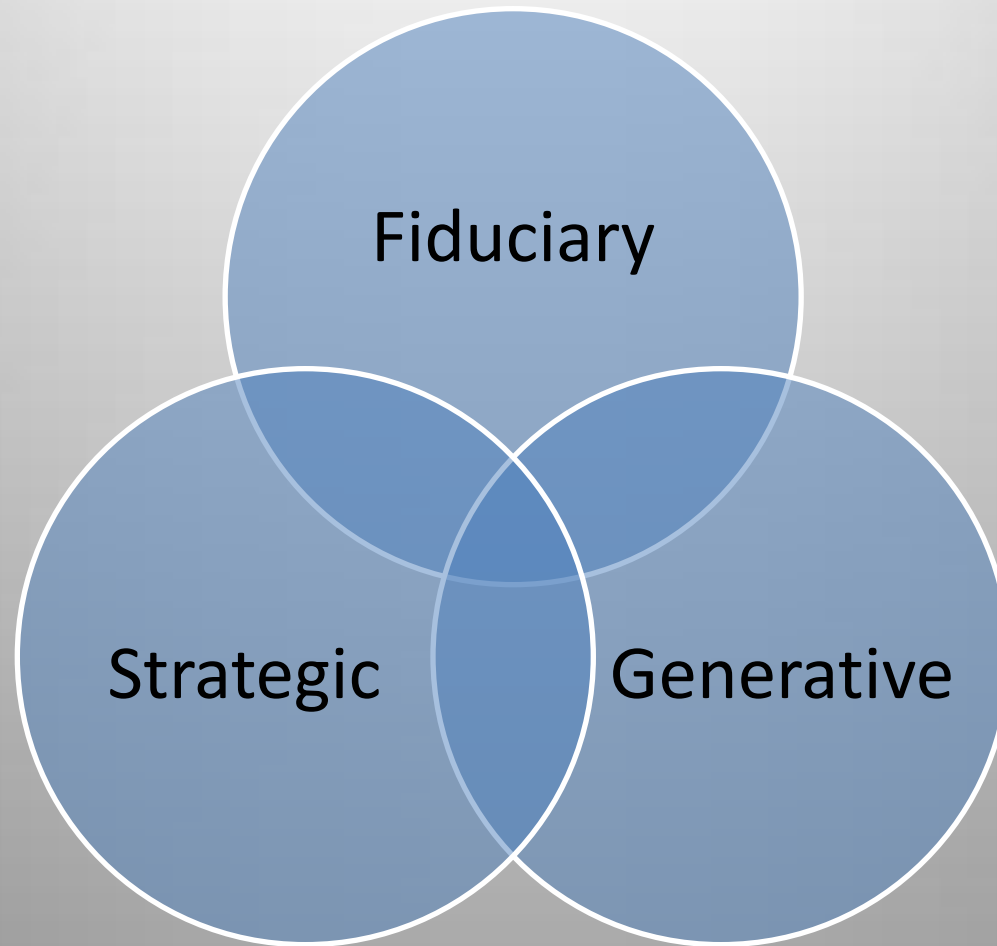
Oversight vs. Generative Governance

- **Oversight:** Board members are in a hands off, supervisory role; they read or listen to reports and vote to approve (or not)

- **Generative:** Board members are engaged in providing a new sense of problems and opportunities to generate new insights and creativity

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Fiduciary Responsibility
(Stewardship of assets)

Prevent misuse of resources and ensure they are used effectively to advance the organization's mission.

Work is usually done through oversight: approving reports, audits, asking financial questions.

Fiduciary Oversight versus Fiduciary Generative

- Can we afford it?

- Did we get a clean audit?

- Is the budget balanced?

- Should we increase budget lines?

- Will the program attract clients?

- What's the opportunity cost?

- What did we learn from the audit?

- Does the budget reflect our priorities?

- Should we re-allocate resources?

- How will the program advance our mission?

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Strategic Responsibility
(Ensuring Sustainability)

Creating a strategic partnership with management to set priorities and plan for the future of the organization. Includes advocating for the organization and building community support.
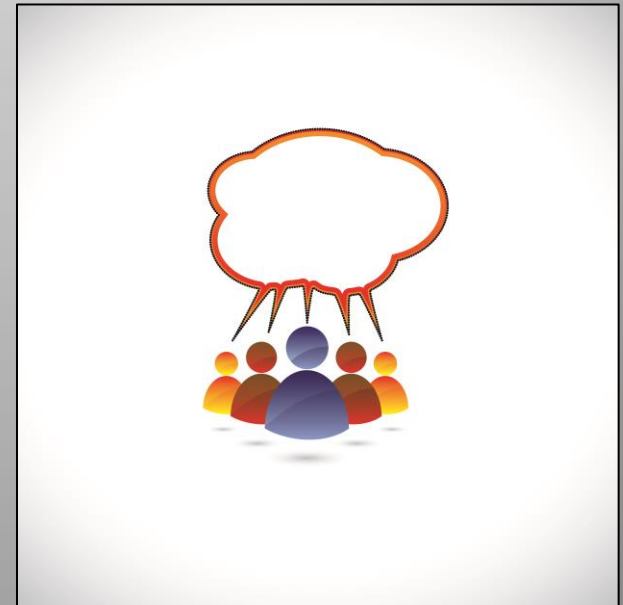
Strategic Oversight versus Strategic Generative

- **Is there a strategic plan?**

- **Where are we in the strategic plan implementation?**

- **Are we on track? When do we need to update our plan?**

- **Are we meeting our deliverables?**

- **Who is responsible for the different planning components?**

- **Does the org. strategy reflect the concerns of all stakeholders?**

- **Is the organizational strategy flexible to deal with unexpected events in the economy and community?**

- **Are we experiencing mission drift as we change funding sources and how do we need to adjust organizational strategy or realign?**

- **Does the org. strategy trajectory take us where we want to be in 5 years?**

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Generative Responsibility

Engaging in robust discussions that reframe problems and challenge normative ways of operating, leading to collective sense-making and creative problem solving.

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Generative Tasks

- Board shows leadership by incorporating values, judgments, and insights into the governance process

- Board provides a new sense of problems and opportunities to generate new insights and creativity

- Board actively engages with questioning and analyzing new information to improve decision making

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Stimulating Generative Thinking

- Reframing an issue

- Recognizing ambiguity

- Confronting conflict
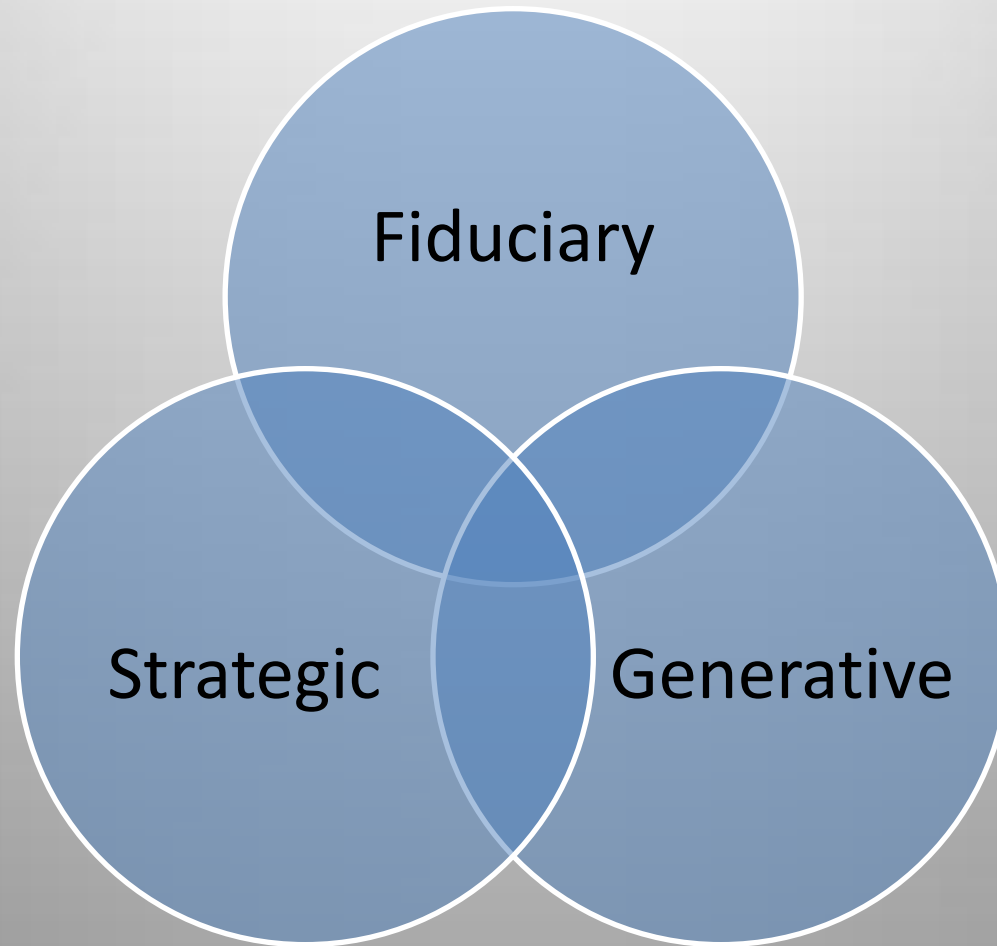
Supporting Generative Governance

- <u>Flexible board structure:</u> Committees based on strategic priorities; Often ad hoc.

- <u>Form follows function:</u> Create space for strategic thinking through modified agendas; ask "What's the big idea?"

- <u>Engage constituents:</u> Collect information from stakeholders, experts, and peers.

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Governance as Leadership
(Chait, Ryan & Taylor, 2005)

Activity

1. Consider the most recent board meeting you attended. Do you remember what was discussed?
2. Take 1-2 minutes to write down everything you remember. *How much of what you recall was in fiduciary mode? How much was in strategic mode?*
3. Can you recall specific instances of oversight and specific instances that were generative?

If you have a partner for this activity, compare your results with theirs and discuss what you remember.

Modules for Transforming Board Practice

Module 1: Foundations for Transforming Board Practice
Module 2: Legal and Recruitment Issues for Nonprofit Boards
Module 3: Governance and Board Structure
Module 4: Enhancing Board Engagement
Module 5: Constructive Conflict
Module 6: Thinking Strategically
Module 7: Asking the Right Questions
Module 8: Board Meeting Communication

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Evaluation

What are the key points of this module?

- What did you find most useful?
- What can we improve upon?
- Other items you want us to cover?

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Curriculum Modules

Module 1: Foundations for Transforming Board Practice
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Curriculum Modules

PDF copies of the curriculum modules are

available for viewing on the

NC Thrive portal:

http://communitydevelopment.ces.ncsu.

edu/local-government-nonprofits/

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References

Chait, R. P., Ryan, W. P., & Taylor, B. E. (2005). *Governance as leadership: Reframing the work of nonprofits.* Hoboken, NJ: Wiley.

Gill, M. D. (2005). *Governing for results: A director's guide to good governance*. Victoria, Vancouver, CN: Trafford.

Janis, I. L. (1972). *Groupthink*. Boston, MA: Wadsworth Publishing.

Renz, D. (2007). Midwest Center for Nonprofit Leadership. (http://bloch.umkc.edu/mwcnl/)

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