

Governance versus Management Scenarios

This document augments *Boards on Fire*, page 36

It's easy for board and staff roles to get blurred, but nonprofits run more smoothly when people stay in their own lane. Just as the U.S. has three branches of government, nonprofits were designed to have two types of leadership that work together to meet the mission. Here are some distinctions that should help.

- 1) The role of the board is to GOVERN, while the role of the staff is to MANAGE.
- 2) The board determines WHY the organization exists (its mission or purpose) and WHAT the organization does in broad brush terms (for example, do you serve clients by doing something FOR them or by mobilizing them to solve their own issues; do you engage in prevention or mitigation?) while the staff (and committees or volunteers) determine HOW you go about that (which activities, which methods).
- 3) The board determines what ENDS or OUTCOMES the organization intends to achieve (what difference you mean to make) while the staff (or committees or volunteers) determine the MEANS by which the ends are achieved, or the OUTPUTS needed to reach the outcomes. (Outputs are quantifiable units of activity (number of performances or people fed or housed or trained, number of acres preserved, books read, legislators met with, etc. Outcomes are measurable changes in attitude, behavior or circumstance resulting directly from the outputs; what difference the outputs made.)
- 4) The board sets POLICY and the staff determine PROCEDURES that will ensure the policy is adhered to or followed.

Individual board members may sit on committees that work on outputs/means/procedures, but they are simply one of the team, and don't get to throw their board member weight around. Also, individual board members may have expertise in a particular topic that is being addressed by staff, but their opinions are valuable only when requested or offered as suggestions, not directives.

Here are some examples:

Picture an organization that serves children in an outdoor setting like a camp. Say the board sets a policy that those kids will be safe while in the organization's care. Once they've set the policy, it's up to the staff (or committees or volunteers) to figure out how best to ensure their safety. That could involve the ratio of counselors to kids or requiring background checks or safety training among the counselors. It could be about fencing, lighting, safe paths, or non-skid docks. Or it could be about following health department protocols in the kitchen or having medical professionals on site. The point is, all those mechanisms for keeping kids safe are not the purview of the board. This work belongs to the staff and whoever supports them.

Say the board of an organization agrees that staff will be remunerated in accordance with the median compensation rates in that market. Then it falls to staff or committees/volunteers to figure out whether that translates into pay raises, or a different kind of health insurance, or paid time off, or flexible work hours – whatever brings their compensation in line with local statistics.

Imagine a board that creates an annual budget that includes a line item for moving expenses, as the organization plans to relocate the office. Once that budget has been approved by the board, the staff are free to decide paint colors, new or used furniture, which moving company to hire, etc., as long as they accomplish the move within the line item amount budgeted by the board.

Consider offering these scenarios to your board – without the ending – and ask them who's responsible for which decisions. It usually turns into an animated conversation. Once everyone understands the distinctions in roles, give people permission to bring it up if people accidentally step into the opposite role.