

Frequently Asked Question

The Chair of the Nonprofit Board

What is the Chair and who should occupy this role?

The Chair of the board of a nonprofit is arguably one of the two most important positions in the organization. That person is the chief volunteer and as such has many roles and responsibilities. This Frequently Asked Question (FAQ) will deal with that as well as the relationship with the CEO.

What should a prospective Chair know before taking on this responsibility? The volunteer should fully understand the scope of the task with an honest understanding of time and energy commitments. The success of this position largely depends on relationships especially the one with the CEO. The following is offered as a “checklist” of what should be understood before saying “yes.”

- Are you personally committed to the mission of the organization and the services it provides?
- Have you met with the outgoing chair to glean his or her experience?
- Have you analyzed the time that will be required and determined that you can give it. (Caution - The actual time almost always exceeds what is anticipated.)
- Have you shared the level of commitment (time and energy) honestly with others in your life (family, work, etc.)?
- Do you have other volunteer commitments (board or otherwise) that would infringe on this responsibility or be in conflict with it?
- Have you met with the CEO asking how well you can work together? (Good question of both of you – “What do you need from me?”)
- Have you read the last two or three evaluations of the CEO and discussed areas of personal and professional growth?
- Are you willing to personally meet with and ask for gifts from potential donors?
- Are you willing to take a training course and/or attend conferences related to the organization?
- Do you know how long you will be expected to serve as Chair?
- Have you read (and understand) the Articles of Incorporation and By-laws especially as they are related to the role and responsibility of the Chair?
- Have you read and understood the organization’s strategic plan?
- Do you understand the financial position of the organization either utilizing your own knowledge or through counsel with a competent professional?
- Have you read the last two independent certified audits of the organization as well as the last two Internal Revenue Service Form 990 submissions.
- Have you reviewed the policies and procedures in place that are the responsibility of the board?
- Are there current legal issues for the organization (lawsuits, employee complaints, government sanctions, delinquent quarterly tax filings, payment to health and pension funds, etc.)?

- Are you free of personal agendas in assuming this position? (Example: business with the organization.)
- Do you have a desire (or willingness) to become the Chief Executive Officer of the organization?
- Are you taking this position with the agenda of removing the present CEO?
- Finally, have you read and understand the Job Description for the Chair? (If the organization does not have one, it is suggested that one be created utilizing the CEO and board for input. (See the example at the end of this FAQ.)

What is the role of the Chair of the board?

- **Preside at Meetings**

Calling the meetings of the board is the easy part of this role. The crucial role of the Chair is management of group process. The ability to do this is more important in the selection of the chair than popularity, friendship with the CEO, board tenure or contribution history.

The Chair needs to exercise self-discipline by holding back on giving opinions as well as voting. The position seeks to include all directors in discussion and deliberation. When one or two persons begin to dominate, the Chair needs to open the meeting to other directors.

The Chair needs to develop meetings where information flows freely and enhances the directors understanding of the issues. Yet, as the discussion drifts afield or becomes tense, the Chair needs to refocus and bring calm to the meeting.

The person occupying this chair needs to be intolerant of any demeaning language or behavior. When actions are being taken all resolutions should be clearly understood (preferably in writing) and voting should be accurately recorded.

All of this takes place before the second easy task – saying “The meeting is adjourned.” A set of skills behind the group dynamics outlined above should be considered in the selection of a board Chair. It is clear that these can be learned and should be a part of the orientation/training for the position.

- **Coauthor the Agenda**

Many nonprofit organizations have become large and complex enough to have professional staffs. Normally, the CEO is in a better position to construct a draft agenda for board meetings. The crucial issue regarding the agenda is “ownership.” What does it take for the Chair to own the agenda? The chair needs a thorough knowledge of the items so that he or she does not look to the CEO to explain them. Certainly it is appropriate for the Chair to turn to the CEO or other professionals for technical information.

The key question for the Chair is: “If the CEO were to be suddenly unable to participate in the board meeting do we have the information and I am comfortable in conducting the necessary business of the organization.” If the Chair says “no” then this aspect of the role is not sufficiently covered.

- **Appoint Committees and Leadership**

Generally the by-laws specifically authorize the Chair to organize the board and its committees/task forces. This is an activity that should be carried out in consultation with the CEO and board leadership. It is always a good idea for these appointments to be reported to the full board including approval. By-laws frequently indicate that the Chair is an ex-officio member of all committees. That term simply means “by reason of the office” and can be voting or not-voting.

- **Appoint Search Committee**

In the FAQ regarding the CEO it is recommended that a succession plan be in place. The plan should include outlining the process for transition of leadership. In small organizations the board leadership often functions as the Search Committee and the chief volunteer in the process is the Chair of the board. It is important to recognize that the importance of the Search Committee is the same for any size organization as it becomes the avenue to the future for the organization.

Generally, it is recommended that the Chair not serve as the leader in the search process for one reason. As will be outlined later, the Chair must necessarily take on operation/management responsibilities during transition normally reserved for the CEO.

Larger more complex organizations stipulate the formation of a special time limited committee that may contain board and non-board members. The committee may have appointees that represent skills or constituents. Its sole charge is to conduct a search for a new CEO that will ensure the future of the organization and its mission.

The Chair needs to be a member of the committee or, at least, have strong communication with the committee. When candidates are brought before the board the Chair must manage a fair and open process.

Integrity of the Organization

The key asset of a nonprofit is its “public trust.” The Chair, along with the CEO, is the principal representative of the organization and much of its success and place in the community rests with the integrity of the Chair.

Support/Supervise the CEO

For a more complete description of support and supervision of the CEO please refer to the FAQ on the "Chief Executive Officer." A primary role of the Chair is making sure that the CEO has the necessary support as well as an honest objective evaluation. In the best of worlds both persons focus on growth and learning and the organization flourishes.

There are, unfortunately, times when the CEO needs to be closely supervised with a well measured “progressive discipline” program. As this occurs the Chair really begins to earn its keep. All previous experience regarding time and energy goes out the window.

It is strongly recommended that the process be outlined when there is no conflict and it be fully shared with all parties. For those organizations with adequate resources an outside expert

(consultant) can be retained to guide the process.

There are three dangers that need to be avoided. First, the Chair should not take over temporarily or permanently as the CEO. Secondly, the Chair should not seek to hide this issue and not report to the board. Finally, if action is necessary it should be done quickly and compassionately so that all parties can get on with our lives, including the organization.

Represent the organization to its many constituents/stakeholders

Leaders in the business world who have crossed over into nonprofit management repeatedly cite the fact that nonprofits have many more constituents who want to be part of the decision making whether it be government purchasing services on behalf of someone else, donors who designate our gifts, foundations or united ways that restrict our contributions, businesses and insurance carriers as well as the persons who actually receive the services.

The chair is constantly called upon to represent the organization presenting a knowledgeable and committed picture.

Lead the Board's Self-Evaluation

The Chair needs to lead the board in an annual informal evaluation of its work. It is recommended by *The Nonprofit Board Answer Book* published by Boardsource that the board have a “formal assessment of the full board’s function and ability to work well as a group every three or four years.” Why should the board have a self-evaluation process? The above book lists several reasons on page 134-5:

- “A nonprofit organization, in the long run, is no better than its board.
- “Individual board members become frustrated when they perceive that the overall board is dysfunctional.”
- “Staff morale suffers when the board doesn’t seem cohesive, efficient or productive.”
- “A board that addresses its own needs honestly sends the right message to staff members regarding growth.”
- “New board recruitment becomes easy because others want to join a winning team.”

An example of a self-assessment tool is located at the end of this FAQ.

What should be the relationship between the Chair and CEO?

This is a huge question and much has been written. Many associations have developed CEO/Board Chair symposiums. The ASU Lodestar Center is developing such an offering for organizations in Arizona. It is recommended that all nonprofits commit themselves to participation within six months if either the CEO changing or a new board Chair begins.

The additional resources at the end of this article list several places where the reader can find additional information. Several things are listed below that should be done on regular basis to develop, maintain and enhance this critical relationship for the benefit of the organization and

those it serves:

- Review respective roles
- Review the organization
- Review the strategic plan
- Set personal goals (both) and share
- Get to know each other's work
- Regular scheduled communication
- Evaluate CEO
- Evaluate the Chair of the board

What are some of the important skills that a Chair should possess?

While the following list is not exhaustive, these are some of the qualities and skills that the Chair should have:

- Intelligence
- Curiosity
- Group dynamic skills
- Good self image
- Supervision experience
- Meeting management skills
- Good boundaries

What are some dangers for the Chair of the board?

The first and foremost danger is the involvement of the Chair in operations during startup or transition of leadership. The volunteers, staff and constituents become used to going to that person and that habit is hard to break. It is natural for the Chair to hang on to those powers and relationships. Following the temporary involvement in management during a leadership void it is important that the Chair clearly and publically extend that responsibility and authority to the new CEO.

After getting that person "installed" the Chair may need to step down from the position of Chair or leave the board entirely for the good of the organization. It seems so clear yet organization after organization find themselves in trouble even with the best of intentions. The new CEO success as the leader of the organization can be seriously and permanently damaged if this is not addressed.

Many of the reasons a person would be a good Chair (passion for the mission, strong personality, conviction, action oriented) are at the source of the second danger – dominance. While being the volunteer leader, this person should be first and foremost an "enabler" helping volunteers and staff step forward to do the job.

The third danger is "founder syndrome." Many nonprofits begin and succeed based on the commitment and talent of one person – the founder. The "founder syndrome" is the continued dominance by the founder even though the organization needs to move to a new generation of leaders. We recommend that the organization continue to honor and involve the founder but that

that person be involved in resource development utilizing our passion to ensure future generations in the organization. We would strongly suggest that the founder step down from any staff or volunteer leadership position that could dominate or overshadow the current human capital of the organization.

Conclusion

There are many books written and courses taught about this topic. Consultants are engaged on a regular basis to intervene when an organization's continued mission is threatened due to the dysfunction of the Chair. It is therefore good stewardship for an organization to select its chief volunteer with care, provide training and support, and constantly evaluate seeking improvement and renewal. Finally, the entire board of an organization should be supportive of this person's commitment. It is yet another reason for the board to take the time to participate in comprehensive board training. (See board training under "Additional Resources.")

Related Resources

The following examples can be useful in defining and managing the role of the Chair of the board.

The Role of The Board Chairperson

1. Build Participation.
2. Share information with committee chairperson and others in leadership position. Create a relaxed, natural environment in meetings and other exchanges. Involve and support staff.
3. Acquire and communicate Information.
4. Stay informed. Keep others informed. Communicate accomplishments and failures concisely.
5. Evaluate Performance.
6. Assess the performance of the board. Assess the performance of the Chief Executive. Recognize good performance.
7. Delegate.
8. Know the board role and the staff role and delegate accordingly. Expect reports and periodically assess progress. Share the credit and share the risk.
9. Raise funds.
10. Be a role model for staff and other board members. Provide leadership in activities and events. Personally contribute.
11. Be visible in the community.
12. Attend social functions. Speak in public on behalf of the organization. Be consistent and openly advocate for the cause.
13. Find your successor.

Adapted: Dr. Michela M. Perrone, President, M.M.P. Associates, 4516 30th Street, NW, Washington, DC 2008

The Board Chair's Role in Supporting the CEO

1. Communicates openly and fairly with the Chief Executive Officer (CEO)/Executive Director (ED).
2. Serves as a liaison between the Board and CEO/ED.
3. Takes the lead in and encourages the Board to support and evaluate the CEO/ED.

4. Discusses issues confronting the organization with the CEO/ED.
5. Reviews with the CEO/ED any issues of concern to the Board.

Adapted: The Role of the Board Chairperson by Eugene C. Dorsey. Published by BoardSource.

Individual Board Member Self-Evaluation

Use the following questions for individual board member evaluation. For board members answering yes to these questions, we are likely to be fulfilling our responsibilities as board members.

	Yes	No	Not Sure
1. Do I understand and support the mission of the organization?			
2. Am I knowledgeable about the organization's programs and services?			
3. Do I follow trends and important developments related to this organization?			
4. Do I assist with fund-raising activities on behalf of the organization?			
5. Do I read and understand the organization's financial statements?			
6. Do I have a good working relationship with the chief executive?			
7. Do I recommend individuals for service to this board?			
8. Do I prepare for and participate in board meetings and committee meetings?			
9. Do I act as a good-will ambassador to the organization?			
10. Do I assist in the development of policies?			
11. Do I give a significant annual gift to the organization?			
12. Do I find serving on the board to be a satisfying and rewarding experience?			

(Adapted from McNamara, Carter, "Free Complete Toolkit for Boards")

Nonprofit Board Chair Job Description

- Is a member of the Board.
- Serves as the chief volunteer of the organization (nonprofit only).
- Is a partner with the Chief Executive Officer (CEO)/Executive Director (ED) in achieving the organization's mission.
- Provides leadership to the Board of Directors, who sets policy and to whom the CEO/ED is accountable.

- Chairs meetings of the Board after developing the agenda with the CEO/ED.
- Encourages Board's role in strategic planning.
- Appoints the chairpersons of committees, in consultation with other Board members.
- Serves ex officio as a member of committees and attends their meetings when invited.
- Discusses issues confronting the organization with the CEO/ED.
- Helps guide and mediate Board actions with respect to organizational priorities and governance concerns.
- Reviews with the CEO/ED any issues of concern to the Board.
- Monitors financial planning and financial reports.
- Plays a leading role in fundraising activities (nonprofit only).
- Formally evaluates the performance of the CEO/ED and informally evaluates the effectiveness of the Board members.
- Evaluates annually the performance of the organization in achieving its mission.
- Performs other responsibilities assigned by the Board.

Source: *BoardSource*, materials apply to both for-profit as well as nonprofit unless otherwise noted, <http://www.boardsource.org>

Nonprofit Board Chair Self-Assessment Survey

Rate your confidence level of the Board Chair in the areas below on a scale from 1-5, with 1 being not confident and 5 being confident.

	Not Confident			Confident	
1. Monitors and evaluates the performance of the executive director on a regular basis.	1	2	3	4	5
2. Ensures legal compliance with federal, state, and local regulations.	1	2	3	4	5
3. Ensures that government contract obligations are fulfilled.	1	2	3	4	5
4. Monitors financial performance and projections on a regular basis.	1	2	3	4	5
5. Has a strategic vision for the organization.	1	2	3	4	5
6. Has adopted an income strategy (that combines contributions, earned income and other revenue) to ensure adequate resources.	1	2	3	4	5
7. Has a clear policy on the responsibilities of board members in fundraising.	1	2	3	4	5
8. Has adopted a conflict of interest policy that is discussed regularly.	1	2	3	4	5
9. Currently contains an appropriate range of expertise and diversity to create an effective governing body.	1	2	3	4	5
10. Regularly assesses its own mission and vision.	1	2	3	4	5
<i>Most or all board members:</i>					
1. Understand the mission and purpose of the organization.	1	2	3	4	5

2. Are adequately knowledgeable about the organization's programs.	1	2	3	4	5
3. Act as ambassadors to the community on behalf of the organization and its constituencies.	1	2	3	4	5
4. Follow through on commitments they have made as board members.	1	2	3	4	5
5. Understand the role that volunteers play in the organization.	1	2	3	4	5
6. Understand the respective roles of the board and staff.	1	2	3	4	5
7. Are appropriately involved in board activities.	1	2	3	4	5
Please comment:					
What suggestions or questions do you have for the board chair or executive director regarding the board, your role, or any other aspect of the organization?					

Where can you find additional information?

- The Web site of BoardSource, Inc. has an excellent question and answer section.
<http://www.boardsource.org/>
- The Web site of Free Management Library has a section on Board of Directors.
<http://www.managementhelp.org/>
- Journal for Nonprofit Management - "The Board Chair-Executive Director Relationship: Dynamics That Create Value for Nonprofit Organizations" 2008
<http://www.supportcenteronline.org/resources-articlesandpublications.php>
- Effective, Motivated Board Governance - (A training program of the ASU Lodestar Center). For information call 602-496-500 or [click here](#).
- Andringa, Robert C and Engstrom, Ted W. Nonprofit Board Answer Book (BookSource, 2007)
<http://www.BoardSource.org>
- Duca, Diane J. Nonprofit Boards: Roles, Responsibilities and Performance (New York: John Wiley and Sons, 1996)
- Committee on Nonprofit Corporation, American Bar Association Guidebook for Directors of Nonprofit Corporations. Second Edition (American Bar Association, 2002)

(This list of questions regarding Chair of the Board has been developed by the many persons and organizations seeking assistance from the Lodestar Center for Philanthropy and Nonprofits Innovation. We invite you to add your questions and reactions through the "Ask the Nonprofit Specialist" section of the center's Web site so that we might improve and expand these FAQ.)

Please note that websites frequently change and while we endeavor to keep links current, some might not work. When you encounter such a problem you can help us by sending an e-mail to robert.duea@asu.edu so that we might investigate and make changes to our information and links.

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