

## BOARD DEVELOPMENT

# Who Doesn't Like a Bonus? Using the Relationship Management Cycle to Build an Effective Board, and Help You and Your Organization Succeed

*The most important work relationship for any nonprofit CEO is with their organization's board of directors*

*By Julie Iacobelli, Principal*

**A**sk any employee of any company who their most important work relationship is with, and 9 out of 10 will say "My boss." Pose that same question to CEOs of nonprofit organizations, and you are apt to get a variety of responses: the constituents they serve, key donors, maybe their organization's board chair.

From my many years serving as a nonprofit CEO and consulting to other nonprofit chief executives and boards, the latter response is the most accurate – but even it only scratches the surface. The most important work relationship for any nonprofit CEO is with their organization's board of directors – from the chair or president to the committee chairs to each and every individual board member.

With the average U.S. nonprofit board consisting of 16 members\*, and many being considerably larger, this can be a tall challenge for a busy CEO being pulled in many directions (meeting payroll, signing contracts, making the big ask) and serving many masters (the beneficiaries of its services, employees, major donors, and so on). But it is an essential part of the job, and usually the results are worth the effort.

For example, an effective working relationship between the nonprofit CEO and board can contribute to:

- Improved organizational efficiency, effectiveness and planning
- Better delivery on the organization's core mission and service to its constituents
- More effective management of challenging situations
- A more satisfying and rewarding work environment
- Greater sustainability for the organization (and, incidentally, the CEO)

In contrast, a poor CEO-board relationship can have immediate, often lasting, negative impacts on the organization, including mutual mistrust, internal discord and, as often occurs with such dynamics, dismissal of the CEO and high turnover on the board.

I have heard many nonprofit CEOs lament that the board isn't doing enough, or that a particular board member isn't fully engaged, isn't attending or participating in committee meetings, or isn't demonstrating appropriate and needed leadership and fundraising.

When this happens, I ask them, "Whose responsibility is that – only the board member?" When was the last time you met with that board member one-on-one, perhaps over coffee or lunch, just to get to know them better, learn how they work, and see how they are doing? In the end, boards are composed of people, and working with people means managing relationships.

In fundraising, we are all very busy applying the relationship management cycle to our prospects and donors, but we can lose sight of how it applies to the board. The fact is, the same principles are at play when building relationships with both of these important constituencies.



So, who doesn’t like a bonus? What can you as a busy nonprofit CEO do to build and maintain good relations with the board – first and foremost to achieve strong results that advance your organization and, in turn, to improve your professional success? For starters, over and above your regular work interactions with the board, committees, etc.:

- Meet with each board member individually at least once a year.
- Meet with the board chair individually on regular basis (my preference is monthly, even if by telephone when an in-person meeting is not possible).
- Get to know them on a personal basis – how do they work, what communication style do they prefer, what turns them off?
- Get to know their interests and challenges as a director, and find ways to support their successful contributions to the board and the organization.
- Understand their vision and passion for the organization, share your vision and passion, and build rapport and trust in your leadership abilities.
- No surprises; keep your board informed of what is going on with the organization and in the profession.

Oh, and that bonus I mentioned? Instead of seeing the board as 16 or 25, or 34 potentially critical bosses, think of them as that many talented, experienced contributors – often highly successful leaders in business and the community in their own right – who are volunteering their time and skills to advance the same organization and mission as you. Make the effort to build and strengthen your relationship with each board member, and you will find it advances the organization – and your success as CEO. And don’t forget the added personal bonus: These board members can also be excellent mentors to you!

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*\*Source: BoardSource Nonprofit Governance Index 2010*

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