

The Right Responsibilities

By Philip Lesser, CAE

Rarely, if ever, does an effective association have a weak board of directors. Establishing board roles and responsibilities and keeping board members focused on governing is paramount to helping ensure a board's—and an association's—success.

One of the most important responsibilities of a board is to *think strategically*. Creating or advancing change is often a big part of the board's role, helping to ensure that the organization stays on the right track to realize its goals and its ultimate success. Boards should think of their responsibilities within this broad context, understand their roles and responsibilities (and how those are formalized), and maintain a clear focus.

Setting Expectations

What are best practices for board development and, specifically, for establishing board responsibilities and creating a clear purpose? How will directors interact with each other, and what are expected norms? Are there position descriptions for directors? From a policy and governance perspective to minor details, effective boards understand what's expected of them.

To begin, orientation and training is job number one for new directors (while an annual review of policies and procedures is recommended for the entire board). Orientation should include a review of the organization's strategic plan and the roles and responsibilities of directors. And education doesn't stop with orientation. Rather, avenues for ongoing dialogue, learning, and follow-up should be open to all board members and at a minimum during an annual board development and training session. A Q&A as part of the orientation will provide a baseline as to how well directors understand their role and where there may be gaps.

Many directors believe they can use common sense for issues they encounter in their board service, but not everything is intuitive. For example, many directors think of minutes as a meeting history. In fact, minutes are anything but a history; they are a brief statement of future actions.

The Art and Science of Board Service

Both new and more seasoned directors will discover that board service is not as simple or straightforward as it might appear. Board service is both an art and a science.

Every board has three fiduciary responsibilities: the duties of care, obedience, and loyalty. (For more on the legal implications of these duties, see page 56.)

- **Duty of care.** The duty of care requires that a director act as if the resources of the organization were her own. Board members must keep updated, attend meetings,

and ask questions. In other words, this is an affirmative responsibility. A fiduciary is entrusted with someone else's resources, typically money, and is therefore held to a high standard.

- **Duty of obedience.** The duty of obedience, while difficult for some, requires directors to vigorously support any policy of the association. As an individual, one might oppose a particular motion, argue against it, or even vote against it. But once the board approves the motion, all directors must support that motion in good faith. The board form of governance requires directors to obey and follow board policies.
- **Duty of loyalty.** The duty of loyalty requires that directors uphold the interests of the association. As a fiduciary, the director must put the association's interest ahead of, for example, those of the director, the director's firm, region, or any other interest. Avoid conflicts of interest and, just as important, avoid the appearance of conflicts of interest. That said, many high-profile individuals might have conflicts of interest. If there are conflicts, board policies and procedures should dictate ways to resolve them (such as recusal, i.e., not participating in a particular discussion or vote).

Successful boards with strategies to manage conflicts of interest should be ahead of the game. For example, one medical society has close ties with the pharmaceutical industry. Prior to the start of each meeting, each director is asked to announce any conflicts. As a result, a remarkable sensitivity to conflicts has developed, allowing colleagues to decide whether conflicts exist and how to resolve them.

Successful boards enforce and reinforce policies and procedures, often informally. But what happens if a board member performs poorly? Sometimes, boards draft guidelines describing how directors should work with one another and sign a "contract" pledging to uphold certain criteria and behavior. A formal process for dismissing a board member will make a painful process less so. In addition, healthy boards often have an informal process by which members speak privately with the particular director to reinforce appropriate behavior, enforce organizational norms, and determine if any action is required.

Understanding these best practices can help make board service an incredibly rewarding and enriching experience for the director and the organization.

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