

THE
DISCIPLESHIP
PLACE

**Boardroom
Transformation**

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MARK DAVY

Mark is an experienced executive and leadership development coach focused on strategic executive coaching that supports growth and leadership excellence that serves others. Mark's coaching empowers leaders to attain a strategic vision, lead with conviction, serve with courage, champion resources, and grow and thrive in their capacity. Mark is an expert facilitator and catalyst for breakthrough discussions with teams and individuals while enabling the discovery of purpose and the development of a clear vision.

Mark's unwavering focus lies in developing a strategic vision that promotes growth and leadership excellence, inspiring others to lead with conviction, deliver results, catalyze resources, and expand their capacity. He is a respected thought leader to clients and colleagues, leveraging his 28 years of professional business experience and deep expertise in sales, marketing, operations, development, executive management, board management, coaching, and mentoring.

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Governance or Not Governance

SESSION OVERVIEW

INTRODUCTION

PARABLE OF THE TALENTS

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BOARD ASSESSMENT SAMPLE

LEARNER OBJECTIVES

At the end of this session, you should:

- Understand what governance is and is not.
- Identify the board's roles and responsibilities in governing the organization.

SCRIPTURAL FOCUS

Matthew 25:14-30 (NIV)

Governance or Not Governance

INTRODUCTION

The first thing we have to do is define this thing we call governance. Governance is the process and procedures by which organizations direct and manage themselves to reduce risks. According to the Institute on Governance (iog.ca), governance is how groups organize to make decisions and answer three big questions:

1. Who has a voice in making decisions?
2. How are decisions made?
3. Who is accountable?

Governance is more than hiring, firing, evaluating, and setting the compensation for the senior pastor or executive director. Governance is about reviewing the strategic plans, overseeing the budget, and reviewing the financial statements. Keep in mind that board members have both legally mandated governance functions and other duties. Governance is the legal, moral, and ethical responsibility of the board. This is why it is important for a board member to attend board meetings. Governance happens at board meetings. It is expected that board members have knowledge of board governance and be aware of their roles and responsibilities. They must know what it means to govern and contribute to the success of the organization.

As Les Stahlke (2010) points out, “A governing board is a board that controls the organization by policies instead of a steady stream of management decisions. Governance involves designing board structure and process, directing strategic priorities, delegating authority and responsibility, and monitoring and measuring results” (para. 1).

Effective board governance in churches or faith-based organizations utilizes a self-evaluation process. “Board self-evaluation is simply an organized process by which the board regularly reexamines its collective and individual performances, and then reaffirms its commitment by identifying plans for improvement” (Moore, 2012, 27, para. 4). The annual evaluation process consists of a checklist that allows the board to identify its roles and responsibilities that are seen to be crucial in leading the organization. Remember, only you can answer the question of why you agreed to serve as a board member. Could the reasons be to give back, to learn, to have fun, or because this is your time to serve?

However, as the Governance Solutions Group (2012) observes, “In the midst of important strategic and operational tasks, a board can easily forget that it is responsible for ensuring the effectiveness of its own operations. The annual board assessment is a way for the board to validate and demonstrate that it is doing a good job” (7).

The board evaluation is not another “check-the-box” exercise. The evaluation process assesses and ensures the board’s effectiveness and that it is fulfilling its oversight responsibilities and providing strategic guidance. It is an opportunity for the board to learn about itself, celebrate what it does well, and address those areas that need improvement. We must have the courage to undertake a board assessment!

PARABLE OF THE TALENTS



NOTES

As you read the parable of the talents, how does this story resonate with you? Do you see any correlation between using your gifts, talents, and abilities to do the work God has called you to do as a board member? Do you see the message of this parable as servants who wasted the master's money or as an opportunity of being good stewards? As Welchel (2022) reminds us, "we are responsible for what we do for God with what we have been given, and one day we will be held responsible" (para. 5).

JOURNALING



NOTES

1. As a board member, did you experience board orientation?
 - If so, what was included in the orientation?
 - Who was involved in the orientation?
 - When did the orientation take place?
 - Did the orientation help prepare you as you stepped into your board member role?
 - What was the strength or weakness of the orientation?

2. If you did not have an orientation, what reasons were you given for not having an orientation?

APPLICATION



Write a one-page paper that reflects your understanding of governance.

MENTORING DISCUSSION



NOTES

Be prepared to discuss the following with your mentor.

- Commit to reading at least one article, blog, or book about board service. Share your insights and discoveries with your mentor.
- What is my role in helping to carry out the board's mission in order to help the organization carry out the organization's mission?
- Is there a difference between the mission of the board and the mission of the organization?
- As a board member, what will I commit to doing to ensure I am equipped?
- What will I commit to doing to help other board members or new board members be properly equipped?

CONCLUSION



NOTES

You may have thought serving as a board member would require you to show up for a once-a-month meeting, hear reports from the executive director or staff, review the financial report, approve next year's budget, and you would be done within an hour or less. Right? Wrong! Have you been surprised by all the things you are doing that they did not tell you about when you agreed to serve on the board? As Stroman (2017) points out, "Everything that shows up in the boardroom falls into one of two categories: governance or not governance. If it's a matter of governance, deal with it at the board level. Govern. If the topic is essentially a leadership issue, the Board must refer it to the organizational leader, the CEO, thus freeing the board to govern and allowing the CEO to lead" (31).

Maybe they did prepare you for your service by taking you through a time of orientation, reviewing the history of the organization, and identifying the strengths, weaknesses, opportunities, and threats of the organization. Perhaps you were even presented with a board member notebook with the recent three months of board business, reports, and financials of the organization. However, since you landed in the board seat you are now occupying, you may either be responding with, "I'm so glad I said yes to this opportunity" or "Stop this ride, I want to get off!" My prayer for you as you serve in your board member role is that you realize the great responsibility you are required to bear. The old adage, "With great power comes great responsibility" rings so true for those who agree to serve as board members. Please do not take your board member's responsibility lightly. Others are depending on you to give direction and instill purpose and guidance for the success and future of the organization.

BOARD ASSESSMENT SAMPLE (www.boardsource.com)



NOTES

1. Periodically reviewing and agreeing on how the organization should fulfill its mission.
2. Articulating a vision that is distinct from the mission.
3. Defining organizational values.
4. Using the organization's mission and values to drive decisions.
5. Setting the organization's strategic direction in partnership with the chief executive.
6. Understanding the needs of congregational members and attendees and how they may be changing.
7. Assessing and responding to changes in the organization's environment.
8. Identifying and articulating strategic imperatives and goals for the organization through a thoughtful strategic planning process.
9. Tracking progress toward meeting the organization's strategic goals.
10. Exploring assumptions underlying proposed strategies, alternatives, and consequences before making critical decisions.