LEADING WITH INTENT

2017 National Index of Nonprofit Board Practices

BoardSource

Empowering Boards. Inspiring Leadership.

CONTENTS

INTRODUCTION

As the leading organization focused on strengthening and supporting nonprofit board leadership, BoardSource has been tracking and analyzing trends in nonprofit board leadership since we launched our first national study in 1994. *Leading with Intent: 2017 National Index of Nonprofit Board Practices* is the most recent in this series of studies.[1] Board chairs and executives[2] from more than 1,300 nonprofit organizations responded to a survey in the summer of 2016, sharing data and insights about their boards' composition, practices, performance, and culture (Methodology, page 6). Responses from these 1,700 leaders are the basis of this study.

Leading with Intent is organized into four broad categories. In practice, these categories are deeply intertwined and difficult to isolate, but they provide a framework for exploring the relationship between who serves on a board, how it is structured, the culture it cultivates, and the way that it does its work:

1. **People: Board Composition and Structure (Page 10).**
   Having the right people on a board makes higher performance — in both the board's internal and external functions — more likely. This report therefore begins with who serves on the board and how they are composed and organized as a collective body.
2. **Culture: Leadership Culture and Dynamics (Page 20).**
   How the board conducts its work — from group dynamics to its relationship with the chief executive — can help or hinder the board's ability to carry out its work. Likewise, board culture and dynamics are also affected by who serves on the board and the nature of the work that the board undertakes.
3. **Work: Board Responsibilities (Page 28).**
   Boards are charged with many important responsibilities. This section explores how well boards are fulfilling their basic, strategic and adaptive, and external and ambassadorial leadership roles.
4. **Impact: Perceptions of the Board's Impact on Organizational Performance (Page 44).**
   Ultimately, the most important measure of board performance is the impact that the board has on organizational performance. While *Leading with Intent* does not include objective measures of organizational effectiveness and the board's impact on them, it explores board chair and executive perceptions of the board's impact on organizational performance, and board characteristics that seem to be positively linked to these perceptions.

The report concludes with a section on Opportunities for Board Reflection and Action (page 50), which provides guidance on how boards can leverage *Leading with Intent*'s findings as a part of their own organization's ongoing board development work.

It is important to note that while *Leading with Intent* provides valuable information about what is happening within boardrooms and insights into trends, strengths, and challenges across the sector, the data itself is descriptive, rather than instructive. The data help describe current trends or dynamics in board leadership as a starting point for conversation; they are not necessarily a recommendation for board practice. *Leading with Intent* does, however, contextualize each finding by highlighting important sector-wide opportunities and challenges as well as opportunities for reflection and change within individual boards. This includes citing relevant BoardSource recommended governance practices, where applicable.
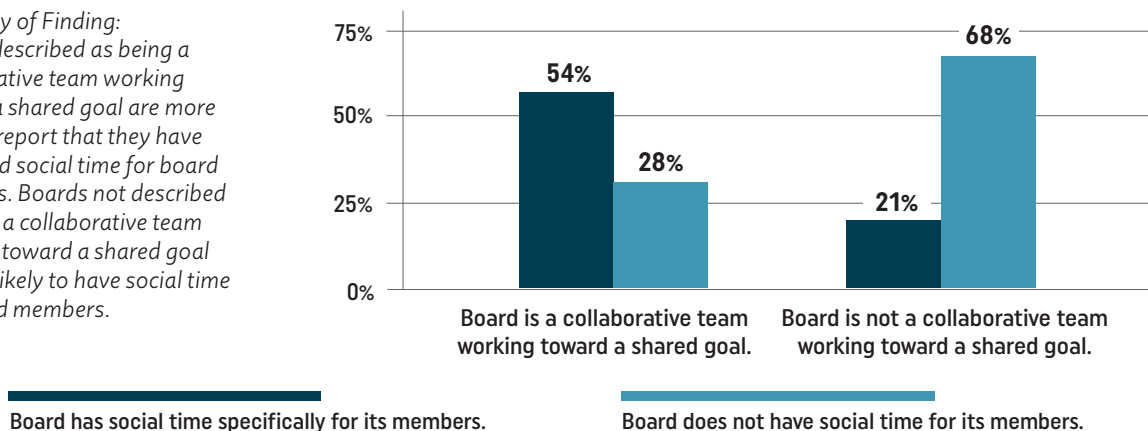
How to Read and Interpret the Data

Throughout this report, we use a variety of charts and graphs to illustrate the data and findings. This includes cross-tab graphs, which illustrate the relationship between responses to two different questions, such as this example below:

RELATIONSHIP BETWEEN SOCIAL TIME AND THE EXTENT TO WHICH THE BOARD IS A COLLABORATIVE TEAM

Summary of Finding:
Boards described as being a collaborative team working toward a shared goal are more likely to report that they have dedicated social time for board members. Boards not described as being a collaborative team working toward a shared goal are less likely to have social time for board members.

Board is a collaborative team working toward a shared goal. 54% / 28%

Board is not a collaborative team working toward a shared goal. 21% / 68%

Board has social time specifically for its members.

Board does not have social time for its members.

These graphs provide important insights into the relationship between responses to two different questions. Because of this, they can easily be misinterpreted. We therefore encourage careful reading and citation. For all of these cross-tab graphs, please note the following:

· The two sets of bar graphs summarize findings within two different sets of responses. In this sample, the set of responses on the left are from those organizations that report the board is a collaborative team working toward a shared goal. The set on the right is from organizations that report the board cannot be described as a collaborative team working toward a shared goal.
· The two bars within these sets refer to the percentage of the subset with the board characteristic named in the legend (at the bottom or right of the chart). In this sample, this means the following:
   - Of those respondents who indicate that the board is a collaborative team working toward a shared goal, 54 percent report they have dedicated social time for their board members, while 28 percent report they do not.
   - Of those respondents who indicate the board is not a collaborative team working toward a shared goal, 21 percent report they have dedicated social time for their board members, while 68 percent report they do not.

It is important to note these relationships between responses are not intended to indicate causation; the data cannot support the idea that one characteristic causes the other. Given the potential for misinterpretation of these graphs, citations should include the chart or the summary of findings that is included, rather than interpreting and restating the graph.

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1 These studies were formerly known as the BoardSource Nonprofit Governance Index.
2 BoardSource uses the terms "executive" and "chief executive" to refer to any nonprofit staff member who reports directly to the board, regardless of title (chief executive officer, executive director, president & CEO, etc.).

METHODOLOGY

Leading with Intent 2017 reports on nonprofit board composition, practices, performance, and culture. This year's study is BoardSource's ninth, with previous studies conducted in 1994, 1996, 1999, 2004, 2007, 2010, 2012, and 2015.

Given the many years of data available, *Leading with Intent* highlights generalized trends and changes, but it is important to note that the respondents and sample size are not consistent across the years of the studies, and a statistical comparison was not conducted.

Leading with Intent is unique in that it collects responses and feedback from both chief executives and board chairs, creating opportunities to compare and contrast these perspectives.

BoardSource received a total of 1,759 individual responses: 1,378 from chief executives and 381 from board chairs.[3] The sample includes 214 organizations where both the chief executive and the board chair of the same organization completed the survey.

The *Leading with Intent* chief executive survey included 111 questions about board composition, structure, practices, performance, and culture. The board chair survey included 41 questions, many of which mirrored questions that were asked of the chief executives, with an emphasis on those questions that invited subjective ratings of board performance and culture. An overview of the raw findings and select comparative data tables are presented in the Data At-a-Glance section of the report (see page 52).

Respondents represent a broad cross-section of the nonprofit sector — including public charities, foundations[4], and other types of nonprofits — as well as organizations with different budget sizes, geographic service regions, and mission areas. (See Appendix: Characteristics of Participating Organizations, Page 60).

SURVEY RESPONDENTS

	All Respondents		Public Charities		Foundations		All Other Organizations	
	N	%	N	%	N	%	N	%
Chief Executive	1,378	78%	879	81%	111	79%	388	72%
Board Chair (or board designee)	381	22%	201	19%	30	21%	150	28%
Total	1,759	--	1,080	--	141	--	538	--

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3 Not every dataset in this report has the same base sample size because respondents skipped some questions. Data in this report is calculated based on the number of respondents who answered that specific question.

4 One-hundred eleven (111) foundation chief executives and 30 foundation board chairs responded to the survey and completed an additional foundation-customized question set. Thanks to support from The William and Flora Hewlett Foundation and the Ford Foundation, a supplementary report on foundation governance practices is forthcoming.

BoardSource identified respondents in two primary ways:

1. *A direct invitation from BoardSource to chief executives and board chairs who have opted in to BoardSource's network of leaders.* On May 10, 2016, BoardSource sent the *Leading with Intent* survey to a convenience sample of 22,708 nonprofit chief executives and board chairs with an invitation to participate in the research project. Each individual was provided with a unique URL to the survey and encouraged to provide the name and contact information for his or her board chair or chief executive. If provided, BoardSource invited those individuals to participate in the survey, providing each with a unique URL.

2. *An open invitation to participate in the study promoted through partner organizations and other broad outreach channels (social media, e-newsletter, daily news brief, etc.).* BoardSource provided an open URL to the survey so it could be broadly and easily shared. This version of the survey included branching questions that directed respondents to the appropriate set of questions for chief executives or board chairs.

BoardSource administered the survey using survey software licensed from Qualtrics and performed analysis in both SPSS and Statwing, a statistical analysis tool that complements the Qualtrics system. All surveys were completed between May 10, 2016 and July 5, 2016. To express its appreciation for participation in the survey, BoardSource offered all respondents a complimentary board leadership resource.

ACKNOWLEDGMENTS

KEY FINDINGS

1. **Boards are no more diverse than they were two years ago and current recruitment priorities indicate this is unlikely to change.** Despite reporting high levels of dissatisfaction with current board demographics — particularly racial and ethnic diversity — boards are not prioritizing demographics in their recruitment practices. Nearly a fifth of all chief executives report they are not prioritizing demographics in their board recruitment strategy, despite being dissatisfied with their board's racial and ethnic diversity. (Read more on pages 12-14.)

2. **Boards are starting to embrace their roles as advocates for their missions, but stronger leadership is still needed.** More than half of all boards are actively working in concert with staff leadership to educate policymakers on behalf of their organization, but most organizations do not have formal policies around advocacy. Both chief executives and board chairs cite board member ambassadorship as a top three area for board improvement. (Read more on page 43.)

3. **Strong understanding of programs is linked to stronger engagement, strategy, and external leadership — including fundraising.** The board's knowledge of the organization's programs relates to board performance in several key areas: strategic thinking and planning, commitment and engagement, and fundraising and community outreach. This points to the importance of cultivating a deep understanding of the organization's programs and operating environment through ongoing board education. (Read more on page 38.)

4. **Boards that assess their performance regularly perform better on core responsibilities.** Boards that assess themselves get higher grades across all areas of board performance. Emphasizing the importance of regular board assessment, boards that assessed their performance more recently (within the past two years) report higher performance scores than those that assessed less recently. (Read more on pages 40-41.)

5. **Chief executives and board chairs agree that the board has an impact on organizational performance, and that two particular board characteristics matter most: the board's understanding of its roles and responsibilities, and the board's ability to work as a collaborative team toward shared goals.** For both chief executives and board chairs, these two characteristics strongly correlate to their perceptions of the board's overall impact on organizational performance. While there is no evidence that this relationship is causal, it does document a perceived connection between board performance and organizational performance, and may point to high-leverage opportunities for board development and growth. (Read more on pages 44-45.)

THE PEOPLE

People are the lifeblood of any organization, and — for a nonprofit organization — that includes the critical leadership of the board of directors.

Leading with Intent helps us understand who is at the helm of nonprofit organizations, both on the board and in the executive seat. It also provides clues about how board composition is changing over time, or — in the case of board diversity — how it is staying the same.[5]

Demographics

The following is a snapshot of current board and chief executive demographics, as reported by chief executives:

FIG P1 — DEMOGRAPHIC PROFILE OF BOARDS AND EXECUTIVES[6]

Race & Ethnicity	Chief Executive	Board Chair	Board Member
Caucasian	90%	90%	84%
African American/Black	4%	5%	8%
Asian	2%	2%	3%
American Indian or Alaska Native	< 1%	1%	1%
Native Hawaiian or Pacific Islander	< 1%	< 1%	< 1%
Two or more races	2%	1%	1%
Other	2%	1%	3%
Hispanic or Latino of any race	3%	3%	5%
Not Hispanic or Latino	97%	97%	95%

Gender	Chief Executive	Board Chair	Board Member
Male	28%	58%	52%
Female	72%	42%	48%
Other	0%	< 1%	< 1%

Age	Chief Executive	Board Chair	Board Member
65 or older	13%	29%	16%
50 to 64	56%	43%	41%
40 to 49	20%	17%	26%
Under 40	11%	11%	17%

5 *Leading with Intent* does not track the same organizations over time and therefore should not be considered a longitudinal study of board composition.
6 In 2017, *Leading with Intent* created separate categories to report on ethnicity to better track with U.S. Census Bureau data.

BoardSource asked both chief executives and board chairs to reflect on their level of satisfaction with their board's demographic diversity. While there are moderate levels of dissatisfaction across all areas of demographic diversity, both executives and board chairs are most dissatisfied with their racial and ethnic diversity (Figures P2 & P3). Given this finding, *Leading with Intent* drills down in that particular area of board composition.

FIG P2 CHIEF EXECUTIVE SATISFACTION WITH CURRENT BOARD DIVERSITY

Category	Satisfied	Neutral	Dissatisfied
Race/ethnicity	18%	18%	65%
Socioeconomic status	22%	42%	36%
Persons with a disability	10%	58%	32%
Age	49%	21%	30%
Gender	53%	19%	28%
LGBTQ	13%	59%	28%
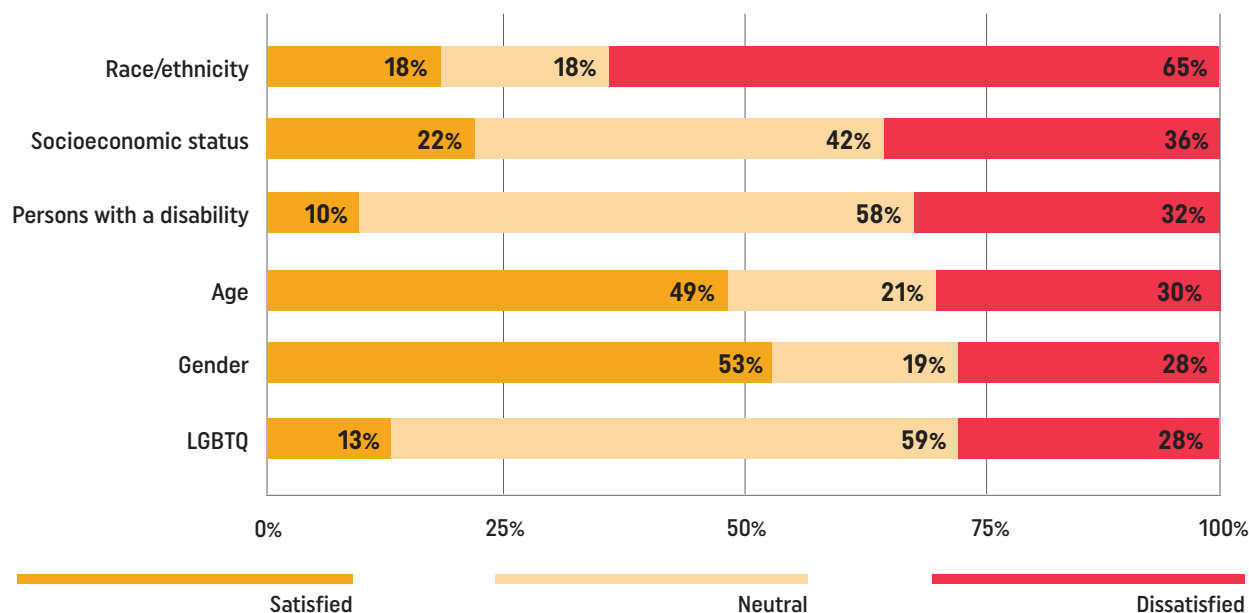
FIG P3 BOARD CHAIR SATISFACTION WITH CURRENT BOARD DIVERSITY

Category	Satisfied	Neutral	Dissatisfied
Race/ethnicity	31%	28%	41%
Socioeconomic status	39%	47%	14%
Persons with a disability	9%	71%	20%
Age	65%	20%	15%
Gender	71%	14%	15%
LGBTQ	19%	67%	14%
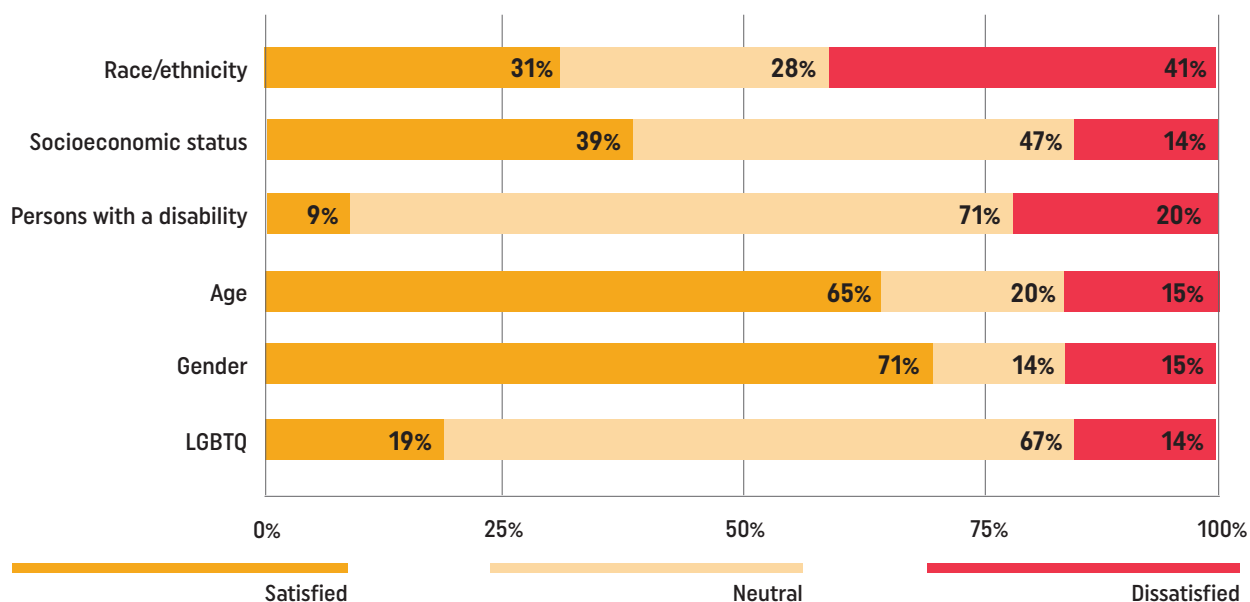
WHAT WE FOUND

Boards are no more diverse than they were two years ago.

In 2015, *Leading with Intent* reported that 89 percent of chief executives and 80 percent of board members were Caucasian, and 25 percent of boards were 100 percent white. In this year's study, 90 percent of chief executives and 84 percent of board members report as Caucasian (Figure P1). Twenty-seven (27) percent of boards identify as all white.

Unfortunately, this is a longstanding trend. Since BoardSource began tracking diversity data through this study, the levels of board diversity have largely remained unchanged, with people of color and ethnic minorities never representing more than 18 percent of board membership.[7]

WHY IT MATTERS

A board's composition impacts how it leads.

At the most fundamental level, who serves on a board impacts how it functions and the decisions it makes. While board composition is not one-size-fits all, a board that is homogeneous in any way risks having blind spots that negatively impact its ability to make the best decisions and plans for the organization.

The blind spots created by a lack of racial and ethnic diversity are particularly concerning, as they may result in strategies and plans that ineffectively address societal challenges and inequities, or even reinforce them.

Chief executives understand this connection between a diverse board and the board's role in strategy and planning, reporting that their board's diversity is "important" or "very important" when it comes to (Figure P4)
- understanding the changing environment from a broader perspective (89 percent reporting)
- developing creative new solutions to new problems (84 percent reporting)
- understanding the client populations served by the organization (82 percent reporting)
- planning effectively (77 percent reporting)

FIG P4 — CHIEF EXECUTIVE PERSPECTIVES ON THE IMPORTANCE OF DIVERSITY

	Very important	Important	Somewhat important	Not important	Don't know/no opinion
Understanding external context from a broader perspective	61%	28%	7%	3%	1%
Developing creative new solutions to new problems	52%	33%	10%	4%	2%
Understanding the client populations served by the org.	54%	28%	11%	4%	2%
Enhancing the organization's standing with the public	49%	31%	11%	4%	4%
Planning effectively	38%	39%	14%	6%	2%
Increasing fundraising or expanding donor networks	46%	26%	14%	8%	6%
Monitoring & strengthening programs and services	35%	37%	18%	8%	2%
Attracting & retaining top board talent	35%	35%	19%	8%	3%
Attracting & retaining top staff talent	25%	30%	26%	15%	4%

7 Past BoardSource studies found that boards were 86 percent white in 1994, 91 percent white in 2004, 86 percent white in 2007, 84 percent white in 2010, and 82 percent white in 2012.

WHAT WE FOUND

Board chairs and chief executives disagree on whether their boards have enough racial and ethnic diversity.

While a significant number of both chief executives and board chairs report dissatisfaction with the level of racial and ethnic diversity on their boards, it is notable that the rate of dissatisfaction is much higher among chief executives (Figure P5):

- Sixty-five (65) percent of chief executives report they are somewhat or extremely dissatisfied with the level of racial and ethnic diversity.
- This compares to 41 percent of board chairs who express the same levels of dissatisfaction.

WHY IT MATTERS

Board members need to understand the impact that a lack of racial and ethnic diversity may be having on their organization.

It is possible chief executives express higher levels of dissatisfaction with the board's racial and ethnic diversity because they are more exposed to the way it is affecting their organization. Seventy-nine (79) percent of chief executives say that expanding racial and ethnic diversity is important, or greatly important, to increasing their organization's ability to advance its mission.

Additionally, chief executive responses highlight an understanding of the many ways that diversity (or lack of diversity) can impact an organization's
- **reputation**: 80 percent of executives report that diversity and inclusion is important, or very important, to "enhancing the organization's standing with the general public."
- **reach**: 72 percent of executives report that diversity and inclusion is important, or greatly important, to "increase fundraising or expand donor networks."

If an organization is facing issues and challenges due to a lack of board diversity, chief executives are wise to help the board understand these issues rather than continuing to make the case for diversity without the board fully understanding what is at stake.

FIG P5 HOW SATISFIED ARE YOU WITH YOUR BOARD'S RACIAL AND ETHNIC DIVERSITY?

	Extremely satisfied	Somewhat satisfied	Neither satisfied or dissatisfied	Somewhat dissatisfied	Extremely dissatisfied
Executives	4%	14%	17%	43%	22%
Board Chairs	11%	19%	28%	33%	8%

0%   25%   50%   75%   100%

Legend: Extremely satisfied | Somewhat satisfied | Neither satisfied or dissatisfied | Somewhat dissatisfied | Extremely dissatisfied

WHAT WE FOUND

Actions speak louder than words when it comes to board diversity.

Board recruitment practices reveal that despite expressing dissatisfaction with current levels of board diversity, the majority of board chairs and chief executives do not report demographic diversity as a high priority in board recruitment (Figure P6).

Even more striking is that nearly one in five of all chief executives surveyed — 253 total respondents — report both of the following:
- Executives are somewhat or extremely dissatisfied with their board's racial or ethnic diversity.
- Demographics are not a priority in recruiting (low priority or not a priority).

Of those chief executives who say they are extremely dissatisfied with the board's racial and ethnic diversity, only 25 percent report that demographics are a "high priority" in board recruitment (Figure P7).

This dissonance between attitudes and actions is especially noticeable among the 363 organizations that report having zero people of color on their boards. Within these organizations,
- 62 percent of executives report that expanding the board's racial and ethnic diversity is greatly important or important to increasing the organization's ability to advance its mission
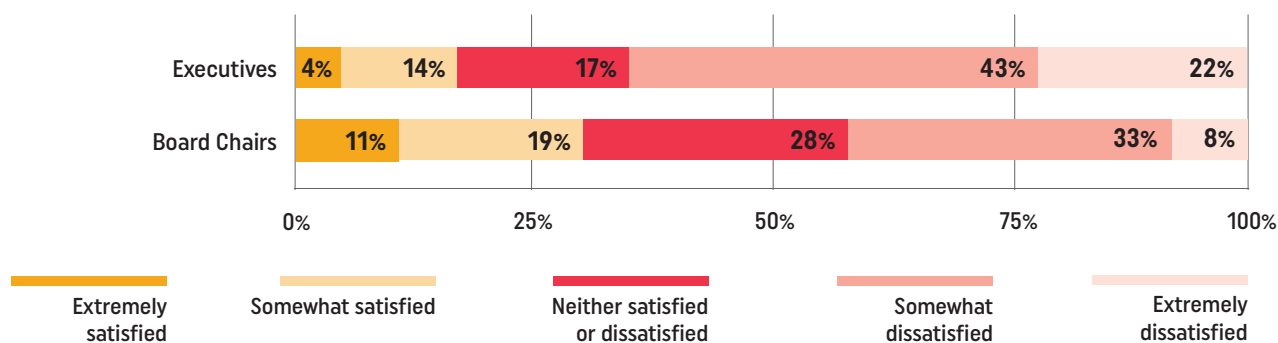- only 10 percent of executives report that demographics are a high priority in board recruitment

WHY IT MATTERS

Boards will not become more diverse without changes in their board recruitment practices.

Strategic board composition does not happen on its own. Boards must define what the ideal board composition looks like — not just in terms of diversity, but also in expertise, experience, and networks — and then be vigilant about finding it through focused and disciplined board recruitment.

For some boards, this means changing the way they identify potential candidates by moving beyond the personal networks of existing board members and considering nontraditional recruitment strategies, such as a posted board search or use of a search firm.

Unfortunately, changing board recruitment practices does not rank as a top three priority for most boards. When asked what they should do to improve their board's performance, only 21 percent of all executives and 23 percent of chairs report "change or strengthen recruitment practices" (Figure W2, page 29). Within the all-white boards, changing recruitment practices ranks no higher, with only 21 percent of those executives ranking it as a top three priority.

While these findings are discouraging in terms of the current orientation to diversifying board leadership, they certainly illuminate a need to help boards better understand the connection between board recruitment practices and board composition realities.

FIG P6 — WHAT IMPORTANCE DOES THE BOARD ASSIGN TO THE FOLLOWING ITEMS WHEN RECRUITING BOARD MEMBERS?

Item	High	Medium	Low or not a priority
Passion for the mission (execs)	82%	14%	4%
Passion for the mission (chairs)	80%	19%	2%
Community connections (execs)	53%	34%	13%
Community connections (chairs)	42%	45%	13%
Desired skills (execs)	47%	40%	13%
Desired skills (chairs)	47%	45%	9%
Occupation (execs)	36%	51%	13%
Occupation (chairs)	24%	53%	23%
Ability to fundraise (execs)	31%	37%	32%
Ability to fundraise (chairs)	19%	46%	35%
Demographics (execs)	24%	46%	30%
Demographics (chairs)	25%	47%	28%

Legend: High / Medium / Low or not a priority

FIG P7 — SUMMARY OF EXECUTIVES' RESPONSES TO LEVEL OF SATISFACTION WITH BOARD'S RACIAL/ETHNIC DIVERSITY AND PRIORITIZATION OF DEMOGRAPHICS IN BOARD RECRUITMENT

Summary of Findings: Nineteen (19) percent of all respondents report that demographics are not a priority (low or not) in their recruitment practices despite being dissatisfied with their board's racial and ethnic diversity.

		Level of Priority Placed on Demographics in Board Recruitment			
		High priority N=327 24% of total responses	**Medium priority** N=629 46% of total responses	**Low priority** N=321 24% of total responses	**Not a priority** N=82 6% of total responses
Level of Satisfaction with Board's Current Racial/ Ethnic Diversity	**Extremely satisfied** N=57 / 4% of total responses	18	22	12	5
	Somewhat satisfied N=185 / 14% of total responses	67	93	22	3
	Neither satisfied nor dissatisfied N=239 / 18% of total responses	40	91	79	29
	Somewhat dissatisfied N=578 / 43% of total responses	126	298	133	21
	Extremely dissatisfied N=300 / 22% of total responses	76	125	75	24
Total Dissatisfied and Not Prioritizing Demographics in Recruitment				**253** 19% of all respondents	

WHAT WE FOUND

Values matter when it comes to recruiting for greater diversity on boards.

Leading with Intent drills down on which specific board actions correlate with greater emphasis on demographics in board recruitment. The diversity practice that has one of the strongest relationships to recruiting practices that prioritized demographics is whether or not the board has "agreed that it is important to incorporate diversity and inclusion into the organization's core values."

WHY IT MATTERS

A board's composition is a reflection of its values.

Whether intentional or not, the composition of a board is a reflection of organizational values — what the organization considers to be relevant and important expertise, experience, and perspective for its top decision-making body.

Clearly articulated values on diversity are a signal that a board has thought through what diversity means to the organization and why it matters to its mission and work. It is this conversation and visible commitment that helps ensure diversity is not only prioritized in recruitment, but that it comes from a place of understanding and authenticity that can be further articulated to potential board candidates and other constituents.

Board Size

A common question is, "What is the perfect size board?" The simple answer is that there is no magic number. The best size for a board is one that reflects the needs of the organization; no outside benchmark can determine what that should be.

WHAT WE FOUND	WHY IT MATTERS
The average board size has decreased over the past 20 years. This year's study finds that — overall — board size has decreased slightly over the past 20 years, with the average board size currently at 15 individual members (Figure P8) and the median board size at 13 (not including vacant seats).	The size of the board impacts how it does its work. While there is no "right" size for a board, BoardSource believes that it is possible for a board to be either too small or too large. Generally speaking, BoardSource recommends that a board have no fewer than five board members. But even if that minimum has been achieved, a board may be too small if the following circumstances apply: • It does not have access to the expertise and perspectives it needs to make good decisions and plans for the organization. • It struggles to maintain independence or exert influence in a way that provides the necessary oversight and balance to the chief executive. • It does not have access to the networks it needs to build its reach and reputation in a way that enables it to secure the funding and influence it needs to do its work. A board may be too big in these situations: • There are too many board members to meaningfully engage in a full-board conversation. • Real deliberation and discussion on big organizational issues is being shifted to the executive committee. • Board members are disconnected from the board's governing role and participation is on an almost honorary basis.

FIG P8   **AVERAGE BOARD SIZE DECREASING OVER TIME**

1994	1999	2004	2007	2012	2015	2017
19	19	17	16	16	15	15
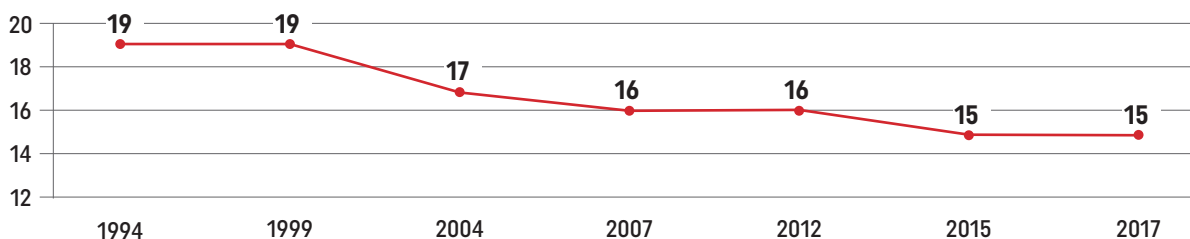
Term Limits

WHAT WE FOUND

Term limits have become the norm.

Today, 72 percent of boards have limits on how many consecutive terms an individual member can serve, leaving only 28 percent that do not. This is an increase from BoardSource's first study in 1994, when 37 percent of all boards did not have term limits (Figure P9).

Of those boards that have term limits, the most common configuration is two, three-year terms (Figures P10-P11).

WHY IT MATTERS

Term limits help ensure that a board's composition reflects its current leadership needs.

Without term limits, it can be difficult for a board to bring on new talent and leadership, which is essential for the long-term health of the leadership body. As the needs of the organization change over time, so should the composition of the board to ensure that the board has the necessary skill sets, perspectives, and networks for the future, rather than the past. The adoption of term limits by more and more boards is an encouraging sign about ongoing board revitalization, and it positions organizations to cultivate more strategic board composition over time.

FIG P9 ADOPTION OF TERM LIMITS OVER TIME
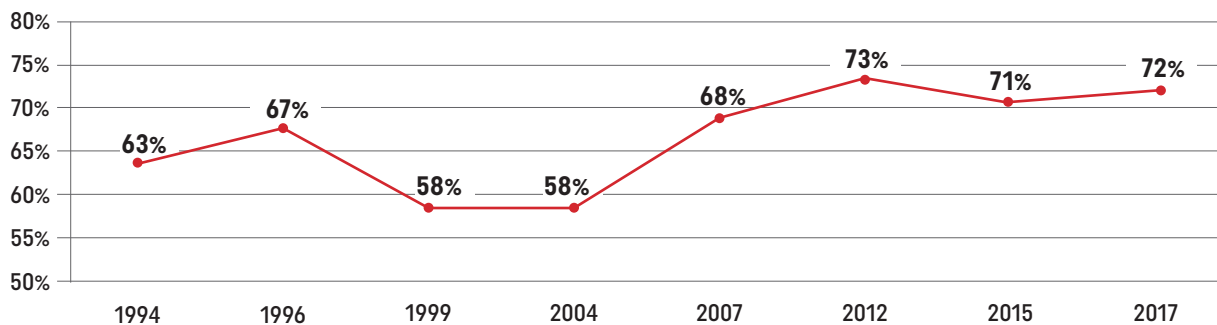
FIG P10 MAXIMUM NUMBER OF TERMS

1 Term	3%
2 Terms	42%
3 Terms	21%
4+ Terms	6%
No Limit	28%

FIG P11 LENGTH OF TERMS

1 Year	3%
2 Years	16%
3 Years	61%
4+ Years	9%
No Terms	11%
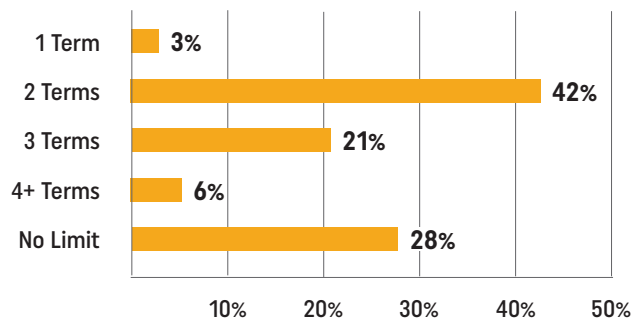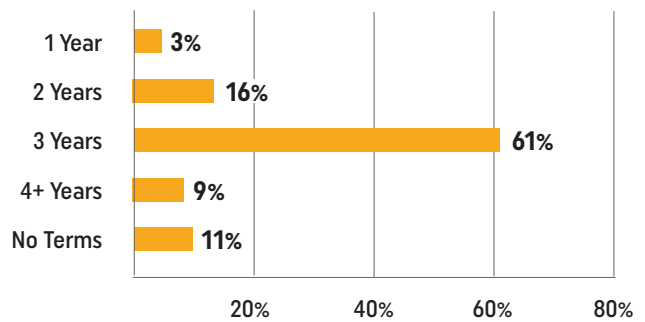
Committees

Committees create a structure for deploying board members to ongoing responsibilities that require group — but not necessarily full board — engagement. Committees are a critical aspect of a board's composition and structure as they often factor heavily in the board's thinking about its ideal size and needed skill sets. When used strategically, committees enable board members to perform critical tasks and functions as small groups, often in between full board meetings, thereby deploying board member time and expertise as efficiently as possible while maximizing the board's leadership potential.

WHAT WE FOUND	WHY IT MATTERS
The average number of board committees has decreased over time. In 1994, boards had an average of 6.6 standing committees. That number has slowly decreased; the 2017 study finds an average of 4.5 standing committees. The following are the most common committees: • Executive (76 percent) • Finance or Finance/Audit (76 percent) • Governance, Nominating, or Governance & Nominating (70 percent) • Fundraising (53 percent)	**Committees should be used judiciously.** Standing committees should be created only when there is an ongoing need for a particular board role. Each standing committee should have a clear and essential function that is aligned with appropriate board leadership roles and responsibilities. Organizations should avoid creating standing board committees that • **meet a short-term, time-bound leadership need.** Functions that are needed now, but won't be needed in perpetuity — such as strategic planning — are better handled by a task force, which should sunset once the work is completed. • **duplicate staff functions**. Boards should avoid creating committees for things that duplicate or mirror the organization's staff structure and responsibilities. If there is a desire to tap non-staff expertise in a particular area of the organization's programming or work, organizations should consider an advisory committee that may include board members, but reports to staff. • **signal a commitment to something that does not require ongoing work from a board committee,** such as a compensation philosophy for the organization's staff. This would be more appropriately handled by the creation of a board policy or statement of beliefs, rather than an ongoing board leadership body.
More than half of all boards do not document the role of their standing committees. Only 47 percent of boards report that the role and scope of each committee is documented as a part of a formal committee charter.	**Each committee should have a clear and appropriate purpose that is documented.** A written description helps ensure that committee members understand the responsibilities and expectations for the committee. Furthermore, the scope of its responsibilities and decision-making power should be limited only to those things explicitly delegated to the committee by the full board.

THE CULTURE

Although the norms that constitute board culture and dynamics may be difficult to define, they significantly influence the ways board members work together. Culture — shaped by a combination of formal and informal rules, agreements, and traditions that develop over time — informs how a board interacts, deliberates, and, ultimately, performs as a collective governing body.

Leading with Intent asked questions about board culture, drilling down on how board members interact with each other, as well as on the board's overall orientation to its work and role as a board.

WHAT WE FOUND	WHY IT MATTERS
Most board chairs and executives report that board culture is strong. Both board chairs and executives report relatively strong levels of agreement on those characteristics indicative of positive board culture, with more than half of all respondents expressing agreement in all but three categories (Figure C1). The following areas are where board culture is strongest — according to both board chairs and executives: • Board members listen attentively and respectfully to each other (94 percent of chairs and 90 percent of executives agree). • The board encourages, supports, and listens to creative and innovative suggestions (93 percent of chairs and 88 percent of executives agree). • Board members have the interests of the organization uppermost in discussions, rather than the interests of their personal agenda (92 percent of chairs and 85 percent of executives agree). • The board has a clear vision that inspires it to work with enthusiasm and commitment (92 percent of chairs and 85 percent of executives agree).	**Board culture impacts how board members relate to each other, the executive, and the work.** In the absence of a strong board culture, it can be challenging for a board to do its work. Deliberation, decision making, and the ability to attract and retain strong board members and executives can be derailed if the board is not managing its culture in a way that keeps it collegial, productive, and focused on mission. Indeed, strong culture can be the "secret sauce" that gives boards their edge, but poor culture can keep struggling boards mired in unproductive conflict and the frustration of disruptive and disrespectful board relations.

FIG C1 SUMMARY OF RESPONSES TO QUESTIONS ON BOARD CULTURE

Board Culture Characteristics	% Agree or Strongly Agree		
	Executives	Chairs	Variance
Board members share accountability and take collective responsibility for failures and mistakes.	55%	76%	21%
Board members' own further learning and growth about the organization and the board's work is a high priority.	52%	68%	16%
The board continuously raises the bar by encouraging higher performance from its members and from the organization.	45%	59%	14%
Our board is a collaborative team that works well together toward a common goal.	75%	86%	11%
I see a clear linkage between board priorities and organizational goals.	79%	90%	11%
There is honest communication between board members.	79%	89%	10%
Board members appropriately balance short-term and long-term needs.	64%	74%	10%
Success is celebrated on the board.	80%	90%	10%
Our board members share clearly articulated core values that guide decision making, even though members may disagree on details.	76%	85%	9%
Our board has an annual retreat with getting-to-know-you and bonding exercises.	42%	50%	8%
We have a clear vision that inspires me to work with enthusiasm and commitment.	85%	92%	7%
Board members have the interests of the organization uppermost in discussions, rather than the interests of their personal agendas.	85%	92%	7%
The board is able to resolve internal conflicts in a professional, positive way, allowing progress to be made.	82%	89%	7%
The board is adaptable in the face of changes in the environment, funding levels, etc., in order to sustain the mission and organization.	79%	85%	6%
The board encourages, supports, and listens to creative and innovative suggestions.	88%	93%	5%
Our board has social time specifically for its members.	49%	54%	5%
Board members listen attentively and respectfully to each other.	90%	94%	4%
Most board members are eager to stay on the board for the maximum time allowed in the bylaws.	79%	82%	3%
The majority of board members is actively engaged in overseeing and governing the organization.	71%	74%	3%

The Board Chair's Role in Building a Positive Board Culture

When it comes to board culture, the importance of the board chair's leadership cannot be overstated. *Leading with Intent* data shows a clear link between the ability of the board to work as a collaborative team and the board chair's ability to

- resolve conflict, build consensus, and reach compromise
- foster an environment that builds trust among board members
- establish clear expectations of board service
- encourage board members to frame and discuss strategic questions

Summary of Findings: When board chairs are strong facilitators of board culture, the board is more likely to operate as a collaborative team working toward a common goal.

FIG C2 BOARD CHAIR IS ABLE TO RESOLVE CONFLICT, BUILD CONSENSUS, AND REACH COMPROMISE
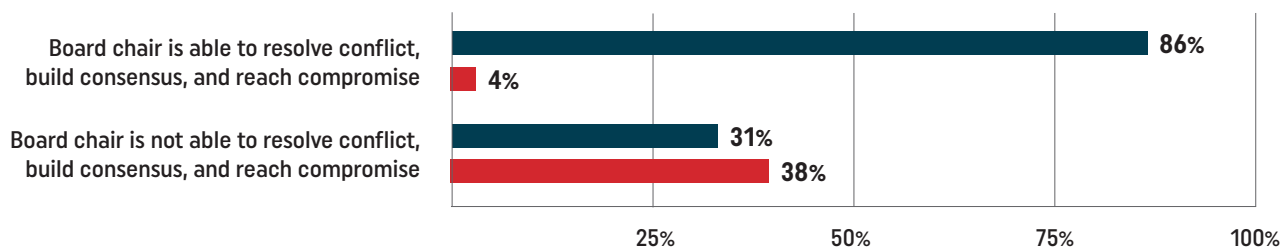
Board chair is able to resolve conflict, build consensus, and reach compromise
- 86%
- 4%

Board chair is not able to resolve conflict, build consensus, and reach compromise
- 31%
- 38%

FIG C3 BOARD CHAIR FOSTERS AN ENVIRONMENT THAT BUILDS TRUST

Board chair fosters an environment that builds trust among board members
- 84%
- 4%

Board chair does not foster an environment that builds trust among board members
- 40%
- 32%

FIG C4 BOARD CHAIR ESTABLISHES CLEAR EXPECTATIONS OF BOARD SERVICE

Board chair establishes clear expectations of board service
- 88%
- 3%

Board chair does not establish clear expectations of board service
- 39%
- 31%

FIG C5 BOARD CHAIR ENCOURAGES BOARD MEMBERS TO FRAME AND DISCUSS STRATEGIC QUESTIONS

Board chair encourages board members to frame and discuss strategic questions
- 86%
- 4%
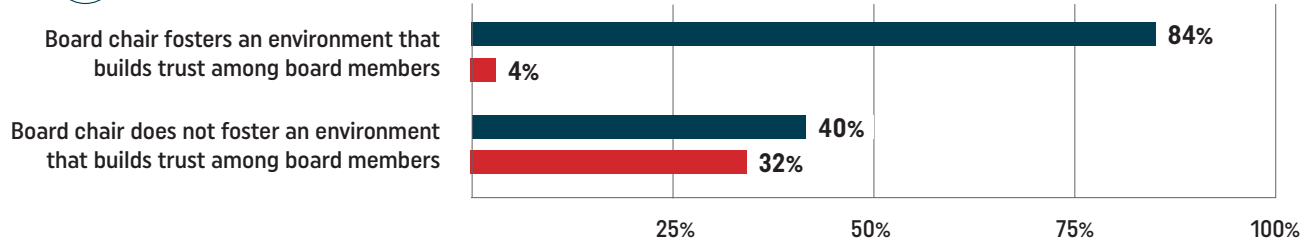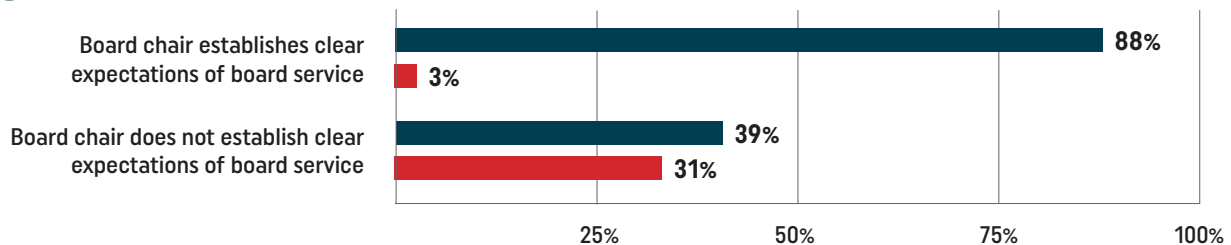
Board chair does not encourage board members to frame and discuss strategic questions
- 37%
- 35%
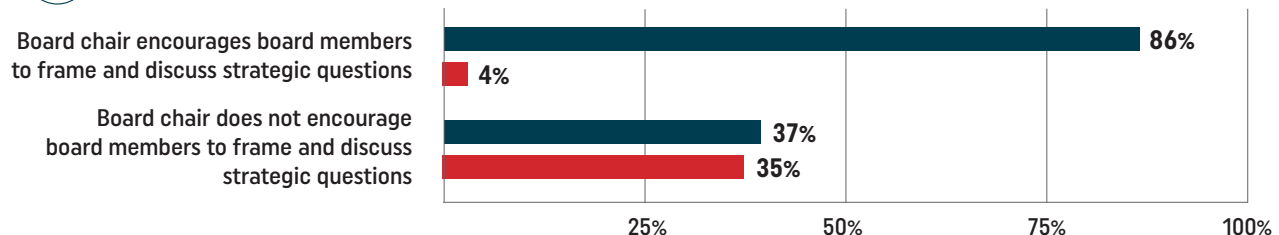
■ The board is a collaborative team that works well together toward a common goal.
■ The board is not a collaborative team working toward a common goal.

WHAT WE FOUND

Executives rate board chairs highly in how they manage the board's culture.
Chief executives give their board chairs high marks for managing and leading the board's culture, with the majority of chief executives reporting A or B grades in all categories (Figure C6).

A board chair's facilitation skills are critical.
Two of the four highlighted categories of board chair performance are related to the chair's effectiveness as a facilitator, emphasizing the critical role that board chairs play in framing and facilitating the board's work:

- *Board chair is able to resolve conflict, build consensus, and reach compromise.* Seventy-four (74) percent of chief executives give their board chairs an A or B grade at resolving conflicts, building consensus, and reaching compromise; eight (8) percent give their boards a D or F grade in this same category (Figure C6).
- *Board chair encourages board members to frame and discuss strategic questions.* Seventy-two (72) percent of chief executives give their board chairs an A or B grade at encouraging board members to frame and discuss strategic questions; nine (9) percent give their boards a D or F grade in this same category (Figure C6).

WHY IT MATTERS

Strong board chairs should be celebrated.
Board chairs have significant responsibilities, and many aspects of the board's and the organization's success rest heavily on their shoulders. Chief executives and boards should celebrate the ways in which their chairs are modeling strong chair leadership, both to thank them for their service and to set positive expectations for those who will succeed them in the role.

Chair selection should emphasize skills in managing and facilitating group dynamics.
Given the importance of the chair's role in creating and sustaining a strong board culture, and the impact that board culture has on overall organizational performance, boards are wise to emphasize skills related to consensus building and conflict resolution when selecting a chair.

Taking opportunities to observe and cultivate this skill set among committee chairs and other board leadership positions may help ensure that future candidates for the chair position are well prepared to lead. It also helps ensure the board is not forced to appoint a chair who does not have these essential skills.

FIG C6 HOW WOULD YOU GRADE THE LEADERSHIP OF THE CURRENT BOARD CHAIR IN THE FOLLOWING AREAS?

	A	B	C	D or F
Cultivates a constructive partnership with the chief executive	61%	23%	9%	7%
Fosters an environment that builds trust	51%	28%	15%	6%
Able to resolve conflict, build consensus, and reach compromise	41%	33%	18%	8%
Encourages board members to frame and discuss strategic questions	41%	31%	19%	9%
Establishes clear expectations of board service	30%	33%	25%	11%
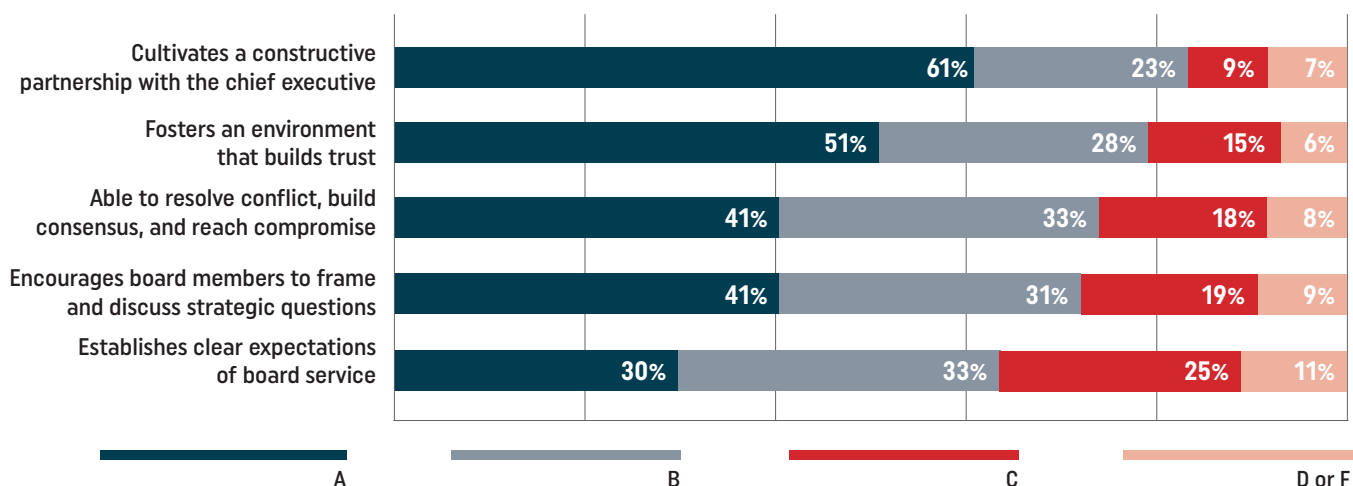
The Culture of Board Meetings

Culture impacts how a board does its work, and there is no time when that is more evident than during a board meeting. A board's unique culture informs how discussions and deliberations are structured and facilitated, how decisions are made, and how board members interact with each other and staff throughout its meetings.

WHAT WE FOUND

The way board meetings are structured relates to the board's overall performance.

The data show strong relationships between meeting structure and practices and the board's overall culture (Figure C7). When looking across all questions related to board culture, the following two aspects of meetings stand out based on both board chair and chief executive responses:

- **Meeting Structure:** Executives and board chairs who report that board meetings "are well run and use effective meeting practices, such as clear agendas, good facilitation, and timely start and close" also report stronger agreement with positive statements about board culture.
- **Preparation:** Executives and board chairs who report that "board members are prepared for board meetings (e.g., read materials in advance, follow up on assignments)" also report stronger agreement with positive statements about board culture.

WHY IT MATTERS

Meeting structure shapes how a board engages in its work.

Boards do their work as a full board during meetings, so it is no surprise that how a meeting is structured shapes whether or not a board does that work well. This reinforces the need for thoughtfully planned and facilitated meetings, and the importance of ample time to dig into big issues, rather than moving through a packed agenda in a way that does not enable board members to openly explore issues and ask meaningful questions (Figure C8).

Board meeting time is a precious and limited resource, with most boards meeting for two hours or less each time they come together (Figure C9), and executives currently report that 38 percent of all meeting time is spent on routine reporting. This reality may be limiting the boards' ability to fully leverage its leadership role to benefit the organization and its overall performance.

FIG C7 THE RELATIONSHIPS BETWEEN QUESTIONS ON BOARD CULTURE AND MEETING STRUCTURE AND PRACTICES

Strongest Relationships Based on Executive Responses

1. Board members are prepared for board meetings, e.g., read materials in advance, follow up on assignments.
2. Board meetings focus on strategy and policy rather than on operational issues.
3. Meetings are well run and use effective meeting practices, such as clear agendas, good facilitation, start/end on time.

Strongest Relationships Based on Board Chair Responses

1. Meetings are well run and use effective meeting practices, such as clear agendas, good facilitation, start/end on time.
2. Meetings allow adequate time for board members to ask questions and explore issues.
3. Board members are prepared for board meetings, e.g., read materials in advance, follow up on assignments.

FIG C8 — INDICATORS OF BOARD MEETING QUALITY

Board members are prepared
- BOARD CHAIR RESPONSE: Great extent 29% | Some extent 53% | Small extent 17% | Not done 1%
- EXECUTIVE RESPONSE: Great extent 20% | Some extent 54% | Small extent 24% | Not done 2%

Meetings focus on strategy and policy
- BOARD CHAIR RESPONSE: Great extent 34% | Some extent 45% | Small extent 18% | Not done 3%
- EXECUTIVE RESPONSE: Great extent 25% | Some extent 45% | Small extent 25% | Not done 5%

Meetings allow time for discussion
- BOARD CHAIR RESPONSE: Great extent 67% | Some extent 29% | Small extent 3% | Not done 1%
- EXECUTIVE RESPONSE: Great extent 61% | Some extent 32% | Small extent 7% | Not done 2%

Meetings are well run
- BOARD CHAIR RESPONSE: Great extent 75% | Some extent 22% | Small extent 2% | Not done 1%
- EXECUTIVE RESPONSE: Great extent 64% | Some extent 29% | Small extent 6% | Not done 1%

Board receives necessary information
- BOARD CHAIR RESPONSE: Great extent 78% | Some extent 20% | Small extent 2% | Not done 1%
- EXECUTIVE RESPONSE: Great extent 81% | Some extent 15% | Small extent 1% | Not done 3%

Legend: Great extent | Some extent | Small extent | Not done

FIG C9 — MEETING FREQUENCY, LENGTH, AND ATTENDANCE

		Meetings Per Year				Length of Meetings (Hours)				Average Attendance		
		1	2-5	6-9	10+	<2 hours	2-4 hours	4-8 hours	Multi-day	75-100%	50-74%	Under 50%
Organization Type	Charity	0%	28%	35%	37%	61%	33%	3%	2%	84%	16%	0%
	Association	2%	63%	16%	20%	33%	30%	17%	20%	92%	7%	1%
	Foundation	2%	53%	21%	23%	47%	36%	10%	8%	92%	8%	0%
	Other	0%	26%	35%	38%	59%	31%	4%	6%	83%	16%	1%
Budget Size	Small < $1 million	1%	27%	30%	42%	63%	32%	3%	2%	85%	14%	1%
	Medium $1 - 9.9 million	0%	35%	33%	32%	56%	31%	7%	6%	85%	15%	0%
	Large $10+ million	0%	42%	35%	23%	41%	42%	7%	11%	88%	12%	0%
Board Size	1-10	2%	35%	26%	37%	47%	42%	7%	4%	93%	5%	2%
	11-20	0%	29%	33%	38%	58%	31%	4%	6%	87%	13%	0%
	21-40	0%	37%	37%	26%	69%	25%	4%	2%	73%	27%	0%
	41+	0%	73%	20%	7%	53%	20%	20%	7%	40%	60%	0%

The Role of Social Time

WHAT WE FOUND	WHY IT MATTERS
Social time for board members is important.	**The board is a team, and teams work better when the members know each other.**
Leading with Intent asked two questions related to social time provided for board members. The responses offer some interesting insights into how board members coalesce as a team. Fewer than half (Figure C1) of all chief executives report that their board • has social time specifically for its members (49 percent) • has an annual retreat with getting-to-know-you and bonding exercises (42 percent)	Sometimes we forget that a board is a team, and — as such — benefits from opportunities for its members to get to know each other and build relationships of comfort and trust. In the workplace, this can happen more organically, as team members interact on a daily basis. But for boards, some of which only meet a few times a year, being intentional about creating interpersonal bonds can make a real difference in how the board works and functions, and also creates a level of enjoyment and personal satisfaction that board members gain from their board service.
But despite having two of the lowest levels of agreement of all of the culture questions, the importance of social time seems to be quite significant in terms of its relationship to overall board culture and — in particular — the level of satisfaction that board members experience during their board service (Figures C10-C11).	Given that fewer than half of boards are investing in social time for board members, this may represent a real opportunity to deepen board engagement and commitment.

Relationship between board social time and board culture (chief executive responses)

FIG C10 · SOCIAL TIME & BUILDING COLLABORATIVE TEAM

Board is a collaborative team. — 54%, 28%
Board is not a collaborative team. — 21%, 68%
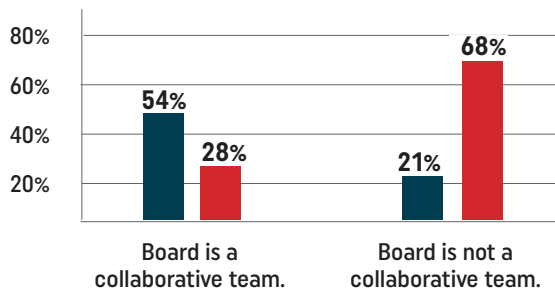
FIG C11 · SOCIAL TIME & LENGTH OF SERVICE

Board members are eager to serve max # of terms — 55%, 28%
Board members are not eager to serve max # of terms — 17%, 73%
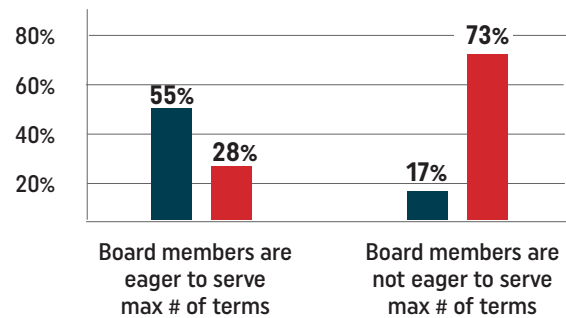
■ Board has social time specifically for its members.
■ Board does not have social time for its members.
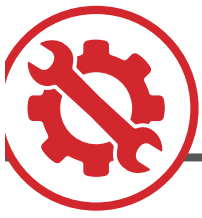
THE WORK

Leading with Intent invited chief executives and board chairs to reflect on the work that the board does, both within and outside the boardroom. Their responses help paint a picture of what boards are doing well, and where they are more challenged, as well as general trends about how boards are fulfilling their core responsibilities as the organization's top leadership and governance body.

Ratings of board performance have been relatively consistent over time, and board chairs and chief executives generally agree on how the board is currently performing, though board chairs do rate board performance slightly higher across all areas of performance.

Boards, in general, are doing well with more fundamental board responsibilities — understanding the organization's mission and providing financial oversight. Conversely, they struggle most with external responsibilities, including fundraising, advocacy, and community-building and outreach. These trends are reflected, in both the overall ratings of board performance (Figure W1) and the indications of the most important areas for board improvement (Figure W2).

FIG W1 RATINGS OF PERFORMANCE IN KEY AREAS OF BOARD RESPONSIBILITY

	Area of Board Performance	Average Grade from Executives	Average Grade from Chairs
Strength	Understanding mission	A-	A-
	Financial oversight	B+	B+
Solid Performance	Legal & ethical oversight	B	B+
	Guiding & supporting the chief executive	B	B+
	Level of commitment & involvement	B	B+
	Knowledge of programs	B	B+
	Understanding board roles & responsibilities	B	B
	Thinking strategically as a board	B	B
	Adopting & following a strategic plan	B-	B
	Evaluating the chief executive	B-	B
	Monitoring performance against strategic plan	B-	B
Challenge Areas	Community-building & outreach	C+	B
	Monitoring legislative & regulatory issues	C	B-
	Increasing board diversity	C	C+
	Fundraising	C	C+

WHAT ARE THE THREE MOST IMPORTANT AREAS THE BOARD SHOULD ADDRESS TO IMPROVE ITS OWN PERFORMANCE?[8]

Area	Executives	Board chairs
Fundraising	67%	64%
Outreach & ambassadorship	43%	42%
Board leadership pipeline	30%	35%
Commitment & engagement	28%	32%
Strategic planning	20%	28%
Strengthen board recruitment	21%	23%

Executives   Board chairs
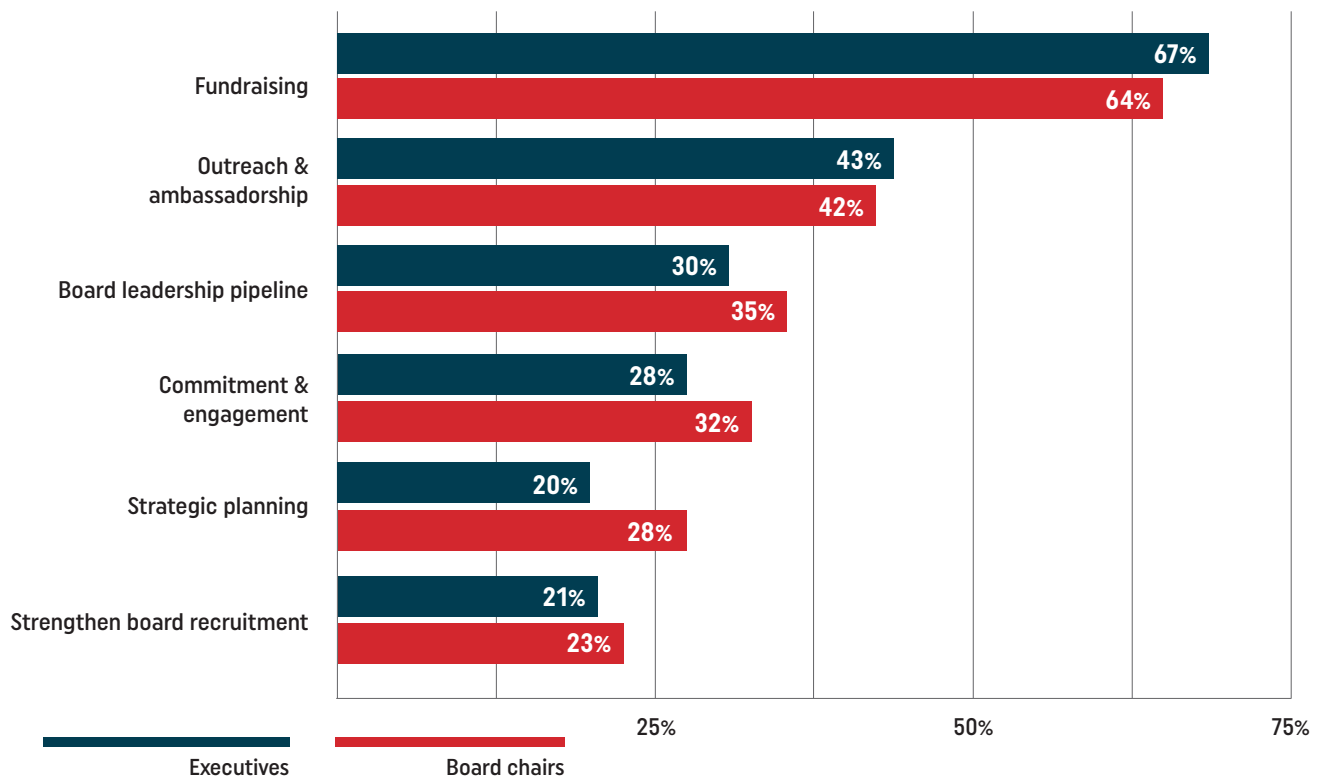
Given the breadth of topics covered in this section of the report, it is divided into three subsections:

The Basics
▸ Mission alignment
▸ Oversight and accountability

The Board's Strategic & Adaptive Role
▸ Constructive partnership with the chief executive
▸ Thinking and leading strategically
▸ Intentional board practices

External Leadership & Ambassadorship
▸ Fundraising
▸ Community outreach
▸ Advocacy

It is notable that these three categories roughly map to the areas where boards are doing very well (The Basics), where they receive average marks (The Board's Strategic & Adaptive Role), and where they are more challenged (External Leadership & Ambassadorship).

8 Top six responses shown.

The Basics
▶ Mission alignment

WHAT WE FOUND

The board's understanding of mission impacts its decision making.

According to both chief executives and board chairs, there is a relationship between the board's understanding of the mission and the extent to which the board uses organizational values to guide decision making (Figure W3):
- Of the board chairs who give their boards an A or B grade in understanding the organization's mission, 88 percent agree that values guide board decision making and only three (3) percent disagree.
- Of the board chairs who give their boards a D or F grade in understanding the organization's mission, just 25 percent agree that values guide board decision making and 75 percent disagree.

Passion for the mission is a recruitment priority.

Board chairs and executives agree that passion for the organization's mission is a top priority for recruitment, with 80 percent of board chairs and 82 percent of executives reporting it as a high priority for all potential board members — the number one response (Figure P6, page 15).

WHY IT MATTERS

A mission-driven board is essential.

The board is fundamentally responsible for defining the organization's mission and what it strives to accomplish — its core purpose. A disciplined commitment to this core purpose should drive everything the board does.

Organizations should not assume that current or potential board members will be mission-driven in their approach. Boards — and individual board members — that don't have a firm understanding of the organization's mission may be more likely to prioritize decisions or strategies that are not mission- or values-driven, taking the organization off course and diminishing its ability to fulfill its core purpose.

Recruitment priorities are not disconnected from performance.

Given the emphasis placed on passion for the mission during board recruitment, it is perhaps no surprise that "understanding the organization's mission" is the top-rated area of board performance (Figure W1). It is more likely that boards will do well in areas that are prioritized and clearly articulated during board recruitment and less well in areas that are not addressed during that process.

FIG W3 — **THE RELATIONSHIP BETWEEN UNDERSTANDING OF MISSION AND VALUES-DRIVEN DECISION MAKING**

BOARD CHAIR RESPONSE

	Strong understanding of the organization's mission (A or B grade)	Weak understanding of the organization's mission (D or F grade)
Agree that values guide decision making	88%	25%
Disagree that values guide decision making	3%	75%

EXECUTIVE RESPONSE

	Strong understanding of the organization's mission (A or B grade)	Weak understanding of the organization's mission (D or F grade)
Agree that values guide decision making	81%	19%
Disagree that values guide decision making	8%	63%

Agree that values guide decision making
Disagree that values guide decision making

▶ Oversight & Accountability

WHAT WE FOUND

Overall, financial oversight is strong, but audit practices show room for improvement.

Both board chairs and chief executives rate the board's financial oversight activities relatively high. Overall, chief executives and board chairs give their boards a B+ grade.

Conducting an annual audit is an important part of financial oversight, and one that is required for those organizations with annual expenditures of $1 million or more.[9] Eighty-three (83) percent of all organizations and 96 percent of organizations with budgets of $1 million or more conduct an annual audit, but fewer have adopted two important practices that BoardSource recommends. Of the boards that conduct an audit (Figure W4),
- nearly a quarter of organizations (24 percent) do not meet with their auditors to discuss the results
- more than two-thirds (69 percent) do not meet with their auditors without staff present

Some boards are not paying enough attention to potential conflicts of interest.

While the vast majority of boards have a written conflict-of-interest policy, 15 percent of executives report that their boards are not reviewing and signing conflict-of-interest disclosures on an annual basis.

WHY IT MATTERS

The board should view auditors as a partner in ensuring proper financial oversight.

Proper board oversight helps ensure the organization acts appropriately to safeguard the resources entrusted by donors and the public.

The purpose of an annual audit is to review the financial statements of the organization and express an opinion on the likelihood of their accuracy. This is accomplished by reviewing the financial statements prepared by staff and conducting random tests on internal financial systems and controls. If the board does not take the time to meet with the auditors — including in an executive session without staff present — it is missing a critical opportunity to gain insights about the strengths and potential challenges of internal financial systems and controls that may not otherwise be evident.

Conflicts of interest pose a significant threat to a board's oversight function.

This response could be an indication that boards are not being vigilant enough about the ongoing identification of potential conflicts — an important way to ensure the board is taking appropriate measures to guarantee that its decision making is never compromised by conflicting loyalties, which can cause major issues for an organization, both in terms of its reputation and legal responsibility.

FIG W4 CHECKLIST OF OVERSIGHT, TRANSPARENCY, AND ACCOUNTABILITY PRACTICES

Oversight Practices	%
Written conflict-of-interest policy	94%
➥ Signed annual disclosure of potential conflicts (89% of those that have a policy)	85%
External annual audit	83%
➥ Meet with auditors (76% of those that conduct an audit)	64%
➥ Meet with auditors, without staff present (31% of those that conduct an audit)	26%
Carry Directors & Officer's liability insurance	93%
Board receives a copy of the Form 990 before filing	79%
Post IRS Form 990 to organizational website	38%
Board ensures that there are policies governing privacy and data security	32%
Post financial statements to organizational website	29%

9 Excluding houses of worship and those exempt from filing Form 990.

The Board's Strategic & Adaptive Role
▶ Building a Constructive Partnership with the Chief Executive

The board's strategic and adaptive work — the work it does to navigate a state of ongoing change and uncertainty — relies heavily on a strong partnership between the board and the chief executive. Without that partnership, the board is likely to be disconnected or disengaged from the ongoing work of the organization, and unable to leverage its leadership beyond the most basic of oversight functions.

Building a strong, constructive partnership takes intentionality and focus from both the chief executive and the board, and requires strong leadership from the board chair, who operates as the board's primary liaison to the chief executive. This section of the report drills down on the partnership between the board and the chief executive.

WHAT WE FOUND	WHY IT MATTERS
Chief executives and board chairs agree: Boards do a good job providing guidance and support to the chief executive. Overall, "providing guidance and support to the chief executive" is an area of strength for most boards (Figure W5): • Eighty (80) percent of board chairs and 65 percent of executives give their boards an A or B grade in this category. • Only 3 percent of chairs and 10 percent of executives give their boards a D or F grade.	**The organization relies on the leadership partnership between the board and chief executive.** If the board and executive are not working well together, the organization can suffer in a whole host of ways: a lack of strategic alignment, a toxic or contentious culture, or the inability to leverage the leadership potential of the board, executive, or both. Boards that demonstrate strong performance in providing guidance and support to the executive are exhibiting an essential capacity for investing in and supporting this critical partnership.
Most — but not all — boards regularly evaluate the performance of the chief executive. Seventy-two (72) percent of executives report they have received a performance review in the past two years and 60 percent in the past year; 15 percent of executives report they have never been formally evaluated by the board.[10] For the boards that are regularly conducting reviews, there is evidence the review process can be strengthened: • Only 59 percent of executives report their evaluation was based on mutually agreed upon goals. • Sixteen (16) percent of executives report they do not have any written goals.	**Evaluation is an important opportunity to reflect on accomplishments and align future goals.** The partnership between the board and executive relies on open communication about performance. An annual evaluation (or assessment) creates a regular opportunity to reflect on where the executive has had success and where there may be challenges. Perhaps even more important, it is an opportunity to align goals and expectations for the future. BoardSource recommends that the board conduct a formal review of the executive's performance on an annual basis. This should include an opportunity for the full board to provide feedback on the executive's performance, as well as a self-evaluation by the executive. Furthermore, BoardSource encourages boards to solicit feedback on the executive's performance from his or her direct reports to ensure a more holistic view of the executive's performance.

FIG W5 HOW WOULD YOU RATE YOUR BOARD'S PERFORMANCE IN PROVIDING GUIDANCE & SUPPORT TO THE CEO?

	A	B	C	D or F
Board chairs	39%	41%	17%	3%
Executives	27%	38%	25%	10%
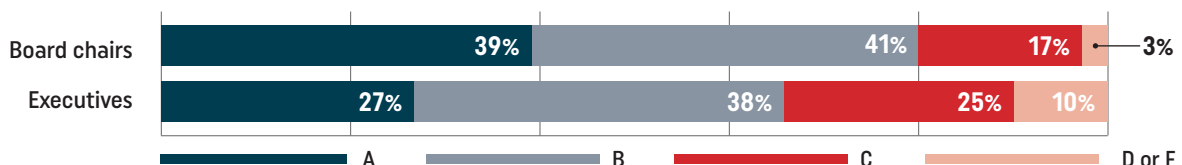
10 Excludes those executives who have been in their positions for less than a year.

WHAT WE FOUND

Most chief executives report trusting, productive partnerships with their board chairs.

Across the board, executives give their chairs relatively high marks (Figure W6), particularly as it relates to building a strong and trusting board chair–executive partnership.[11]

- Eighty-four (84) percent of executives give their board chair an A or B grade when it comes to cultivating a productive, constructive partnership.
- Seventy-nine (79) percent give them an A or B grade for fostering an environment that builds trust.

It is also notable that when BoardSource asked chief executives to identify who they are likely to rely on when counsel is needed on a difficult issue, 84 percent of executives include their board chair among their top three choices, with 58 percent naming the chair as their top choice.

WHY IT MATTERS

The board chair sets the tone for the chief executive's relationship with the board.

Board chairs typically serve as the primary liaison between the board and the chief executive, setting the tone for how the board works with the chief executive. It is important to note, however, that the full board is responsible for providing support and oversight to the executive and the chair. Individual board members do not have decision-making power when it comes to oversight of the executive.

Effective chairs embrace their role as a strategic partner and important resource to the executive, and work to build a trusting relationship built on mutual respect.

FIG W6 HOW WOULD YOU GRADE THE LEADERSHIP OF THE CURRENT BOARD CHAIR IN THE FOLLOWING AREAS?

Area	A	B	C	D or F
Cultivates a constructive partnership with the chief executive	61%	23%	9%	7%
Fosters an environment that builds trust	51%	28%	15%	6%
Able to resolve conflict, build consensus, and reach compromise	41%	33%	18%	8%
Encourages board members to frame and discuss strategic questions	41%	31%	19%	9%
Establishes clear expectations of board service	30%	33%	25%	11%
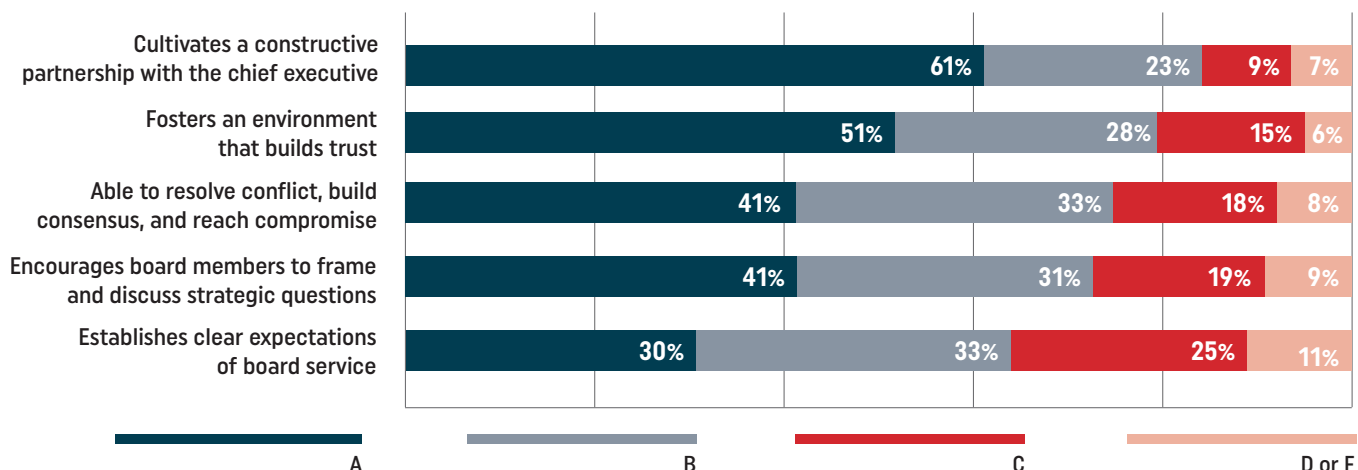
11 Board chairs were not asked to rate their own performance in these areas, so no comparison data is provided.

WHAT WE FOUND

Boards play a key role in a chief executive's leadership experience.

Overall, 46 percent of executives report they are extremely satisfied in their position, and an additional 41 percent report they are moderately satisfied (Figure W7). While this is generally good news, it is important to note that boards play a critical role in a chief executive's overall job satisfaction — and it is not always positive (Figure W8):
- Thirty (30) percent of executives report that the board has an extremely positive impact on their personal job satisfaction.
- Thirty-five (35) percent report that the board has a moderately positive impact on their job satisfaction.
- Sixteen (16) percent of executives report that the board has a negative impact on their job satisfaction.

WHY IT MATTERS

A board that provides strong support and guidance can make the chief executive role more manageable.

When we compare responses to the question about the board's impact on executive job satisfaction to the executive's overall job satisfaction, the relationship is quite strong (Figure W9):
- Seventy-seven (77) percent of executives who report their boards have an extremely positive impact on their job satisfaction also report that they are extremely satisfied with their position overall.
- Only two (2) percent of executives who report extremely positive board impact report being dissatisfied with their position overall.

Given the considerable job responsibilities and stressors most nonprofit executives face, knowing that the board can be a source of positive support and energy is an important insight, and reinforces the importance of investing in a strong and healthy partnership.

FIG W7 EXECUTIVE JOB SATISFACTION

Extremely satisfied	46%
Moderately satisfied	40%
Slightly satisfied	6%
Neither satisfied nor dissatisfied	1%
Dissatisfied	7%

FIG W8 BOARD'S IMPACT ON EXECUTIVE JOB SATISFACTION

Extremely positive	30%
Moderately positive	35%
Slightly positive	14%
Neither positive nor negative	5%
Negative impact	16%
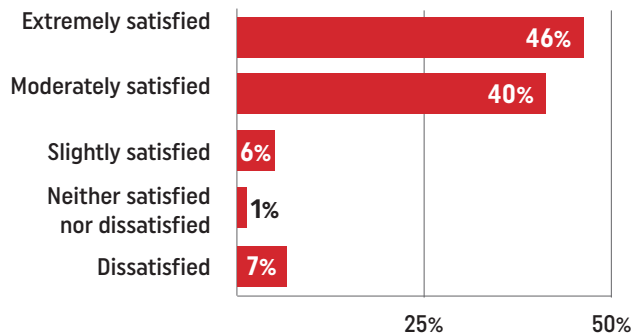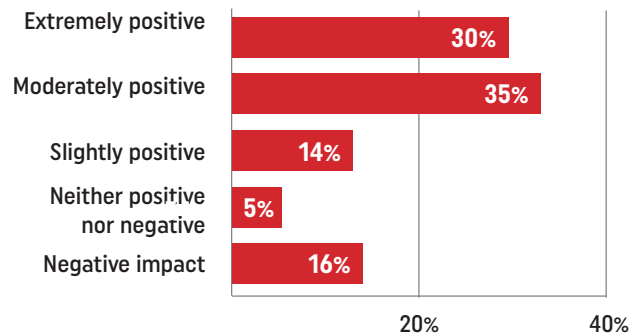
FIG W9 EXECUTIVE JOB SATISFACTION BASED ON BOARD'S LEVEL OF IMPACT

Board has an extremely positive impact on executive satisfaction: 77% / 2%

Board has an extremely negative impact on executive satisfaction: 15% / 65%

— Executive is satisfied with the position overall

— Executive is dissatisfied with the position overall
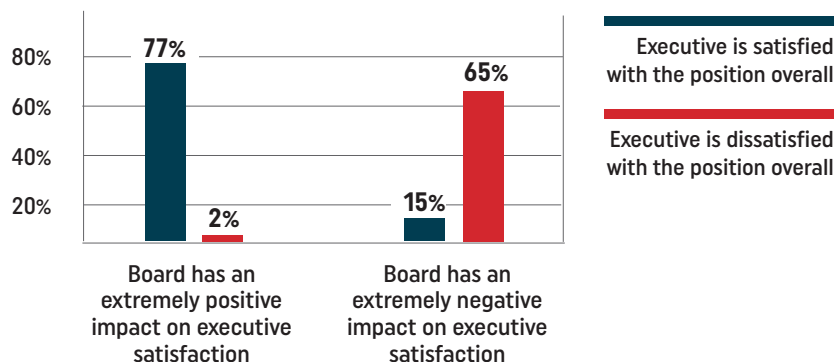
▶ The Board's Role in Strategy

As explored later in The Impact section of this report, *Leading with Intent* finds that several of the most important areas of board performance — in terms of the perceived impact of the board on organizational performance — are related to the board's role in strategy. Specifically, the data show a strong relationship between perceptions of the board's impact on organizational performance and ratings of board performance in
· thinking strategically as a board
· adopting and following a strategic plan
· monitoring organizational performance and impact against the goals or objectives in the strategic plan

Each of these areas has a strong relationship to the board's perceived impact on organizational performance in both the board chair and chief executive responses; boards that have strong performance in these strategic areas are perceived to have a positive impact on organizational performance, and vice versa.

WHAT WE FOUND	WHY IT MATTERS
Boards are not fully engaging in strategy.	**Strategy is an ongoing board function.**
Eighty-four (84) percent of organizations report they have a written strategic plan, but fewer report their boards are doing well in their broader strategic role. Of the organizations with written strategic plans, executives report room for improvement in several key strategic functions (Figure W10): · Only 54 percent report the board is good at monitoring organizational performance against the strategic plan. · Just 26 percent report board meetings focus on strategy and policy versus operational issues.	Boards should continually focus on strategy, asking important questions about what is working, what is not, and what is changing in the internal and external environment. This commitment to ongoing reflection and learning is critical in an environment characterized by fast-paced change. Some boards are formalizing this iterative approach to strategy by focusing on flexible, adaptive strategic frameworks rather than long-term, static plans that map out many years' worth of strategies and tactics that could easily become irrelevant as circumstances and needs change.

FIG W10 BOARD PERFORMANCE ON STRATEGY WITHIN ORGANIZATIONS THAT HAVE A WRITTEN STRATEGIC PLAN

The board is good at adopting and following a strategic plan (A or B grade). — 67%

The board is good at thinking strategically as a board (A or B grade). — 64%

The board is good at monitoring performance and impact against strategic plan (A or B grade). — 54%

Board meetings focus on strategy and policy vs. operational issues (to a great extent). — 26%

20%   40%   60%   80%
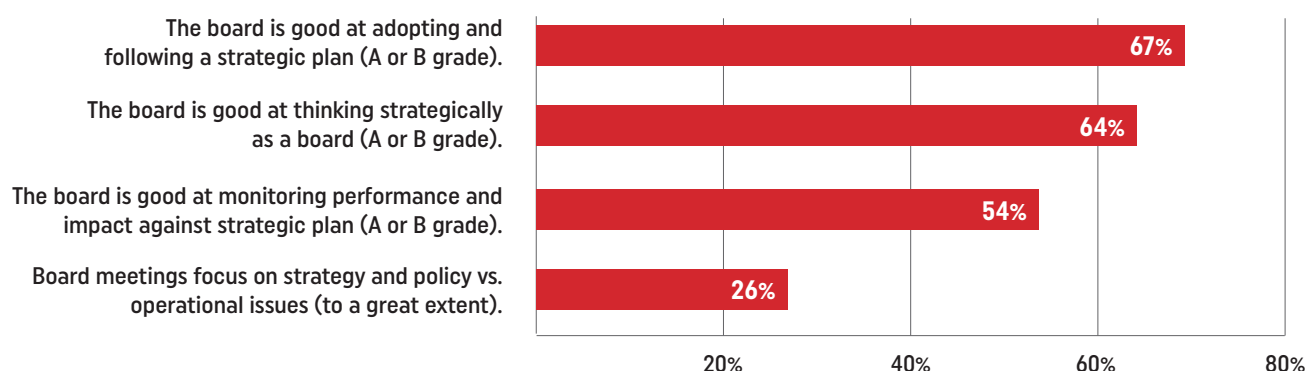
▶ Intentional Board Practices & Ongoing Board Development

To strengthen the board's performance in all areas of board responsibility and ensure that the board is adapting to emerging organizational needs, boards must embrace their responsibility for ongoing board development and improvement. While board development is a broad category that encompasses many things, BoardSource defines the most important elements as
· strategic board composition and recruitment
· ongoing board education about the organization and its programs, the external operating environment, and the board's own leadership role
· regular reflection on board performance

BoardSource encourages boards to formalize the responsibility for ongoing board development and board self-management as a part of a governance committee charter, but — regardless of how the board chooses to structure itself — what is most important is the board's commitment to thoughtful and intentional reflection and development.

WHAT WE FOUND	WHY IT MATTERS
Boards and chief executives do not see eye-to-eye when it comes to the board's management of itself.	**Strong governance and board leadership is a shared responsibility.**
A closer look at the responses in The Culture section reveal that while boards and executives are aligned on most responses, there are significant variances in responses to questions about the board's management of itself (Figure W11).	While it may not be surprising that executives rate boards lower in these key areas, it is indeed a signal that there is a gap between board chair and executive perceptions of what the appropriate or ideal commitment to self-management looks like.
This includes the extent to which · the board continuously raises the bar by encouraging higher performance from its members and from the organization · board members' own further learning and growth about the organization and the board's work is a high priority · board members share accountability and take collective responsibility for failures and mistakes	This gap could be an entry point to an honest conversation about how effectively the board and executive are working together to strengthen the organization's governance and board leadership, and an opportunity to cultivate a deepened commitment to ongoing board development within the board.

FIG W11 BOARD CHAIR AND EXECUTIVE PERSPECTIVES ON THE BOARD'S SELF-MANAGEMENT

Board Culture Characteristics	% Agree or Strongly Agree		
	Executives	Chairs	Variance
The board continuously raises the bar by encouraging higher performance from its members and from the organization.	45%	59%	14%
Board members' own further learning and growth about the organization and the board's work is a high priority.	52%	68%	16%
Board members share accountability and take collective responsibility for failures and mistakes.	55%	76%	21%

▶ Strategic Board Composition & Recruitment

Given how essential it is that boards comprise the right people — those who bring the critical skill sets, areas of expertise, networks, work styles, and perspectives that the organization needs — board recruitment is naturally one of the most important functions of the board.

WHAT WE FOUND	WHY IT MATTERS
Finding the right people to serve as board members can be challenging. Thirty-six (36) percent of executives and 52 percent of board chairs report it is difficult or very difficult to find board members. While this is down somewhat from *Leading with Intent*'s 2015 findings (58 percent of executives and 53 percent of board chairs reported difficulty with board recruitment in 2015), it is still notable that a third of all boards face challenges finding the right people to serve on their board.	**It is not about filling seats — it is about finding the right people.** Being strategic about board recruitment is essential to building the board that the organization needs, but that does not necessarily make it easier to fill board seats. In fact, it can make it more difficult. But when it comes to board recruitment, faster and easier is not necessarily the goal. When a board is strategic about recruitment, the criteria are narrower and more focused on the leadership that the board and organization will need over time. Finding the right candidates takes time and attention from the governance committee and the full board. It requires an ongoing commitment to identifying and cultivating potential board talent, and a willingness to say no to potential candidates who do not align with the board's current recruitment goals.

▶ Ongoing Board Education

Effective board education should help board members cultivate and maintain a strong understanding of the following:
- How the organization's programs support the mission, strategy, objectives, and business model.
- The external operating environment, including the larger system of organizations working on similar or related issues and the policy environment in which the organization is working.
- The board's own leadership role and how it may need to shift and change due to ongoing organizational change.

WHAT WE FOUND	WHY IT MATTERS
Strong understanding of programs relates to stronger engagement, strategy, and external leadership — including fundraising. The need for deep understanding of the organization's programs is reinforced by *Leading with Intent*'s findings, which highlight how board members' understanding of programs positions them for stronger — or weaker — performance in many areas of board performance (Figure W12), including • strategic thinking and planning • overall engagement and commitment • external leadership and ambassadorship	**Boards cannot lead effectively if they do not understand the organization's work.** Board members need to understand the work of the organization to be able to engage in ways that are meaningful to the organization. Providing board members with ongoing opportunities to deepen their understanding of the organization's mission and work — as well as their responsibilities as a board member — is an important way to strengthen the board's performance and to build a more passionate and committed board. Board education happens both in structured and unstructured ways, and may include some or all of the following: • Comprehensive orientation for new board members that includes both an orientation to their role as a board member and to the organization and its work. • Focused educational sessions or moments as a part of regular board meetings that help cultivate a deep understanding of the organization's mission, programs, and impact. • Ongoing education and reflection about the board's role and how best to leverage its full leadership potential. • Thoughtful preparation of board materials to provide context and background to support effective engagement, deliberation, and decision making without miring board members in unnecessary or irrelevant detail.

FIG W12 — BREAKDOWN OF BOARD PERFORMANCE RATINGS BY LEVEL OF KNOWLEDGE OF THE ORGANIZATION'S PROGRAMS

	Of those boards with...		
	Strongest knowledge of programs (A)	Strong knowledge of programs (A or B)	Weak knowledge of programs (D or F)
What % receive strong (or weak) scores in these areas?			
Strategic thinking & planning — Thinking strategically as a board			
Excellent (A grade)	46%	28%	5%
Good (A or B grade)	86%	73%	22%
Weak (D or F grade)	3%	4%	41%
Board members appropriately balance short-term and long-term needs			
Strongly agree	46%	30%	1%
Strongly agree or agree	81%	76%	24%
Disagree	5%	8%	54%
Engagement & commitment — The majority of board members is actively engaged in overseeing and governing			
Strongly agree	54%	36%	7%
Strongly agree or agree	91%	82%	28%
Disagree	6%	10%	65%
Level of commitment and involvement			
Excellent (A grade)	56%	33%	0%
Good (A or B grade)	90%	80%	12%
Weak (D or F grade)	1%	3%	53%
External leadership & ambassadorship — Fundraising			
Excellent (A grade)	11%	7%	1%
Good (A or B grade)	42%	31%	7%
Weak (D or F grade)	19%	30%	69%
Community-building and outreach			
Excellent (A grade)	23%	13%	0%
Good (A or B grade)	59%	50%	3%
Weak (D or F grade)	9%	13%	71%

▶ Regular Reflection on Board Performance

While there are many ways boards can be intentional about reflecting on board performance, a formal board self-assessment ensures that board members are engaging in a process of group- and self-reflection.

WHAT WE FOUND	WHY IT MATTERS
Boards that assess themselves regularly perform better on core responsibilities.	**Board self-assessment is the starting point for thoughtful board development.**
Boards that assess their own performance get higher grades across all areas of board performance, as rated by chief executives (Figure W13). The largest positive variances are in the following categories: • Evaluating the chief executive • Adopting and following a strategic plan • Monitoring organizational performance and impact against strategic plan goals • Understanding board roles and responsibilities	By engaging the full board in a discussion about its performance, the board can establish a holistic view of what it is doing well and what may need to change. It also invites board members to self-identify how best to prioritize board development efforts, which helps ensure they are invested and engaged in those efforts and hold themselves accountable to making positive changes.
The majority of boards are prioritizing performance assessment, with 58 percent reporting their board has conducted a formal self-assessment at some point; up from 23 percent of boards in 1994. Only 40 percent of all boards have done an assessment in the past two years, however, which is BoardSource's recommended practice.	Discernable differences in performance between boards that assessed their performance in the past two years and those that assess performance less frequently reinforce the importance of regular reflection on performance (Figure W13).

FIG W13 | COMPARISON OF BOARD PERFORMANCE BASED ON FREQUENCY OF BOARD SELF-ASSESSMENT

Area of Board Performance *Ratings reported by chief executives based on a four-point scale.*	Assessed in past 2 years	Assessed ever	Never assessed	Variance[12]
Evaluating the chief executive	2.83	2.71	2.05	0.78
Adopting and following a strategic plan	2.98	2.90	2.32	0.67
Monitoring organizational performance against strategic plan	2.68	2.62	2.16	0.52
Understanding board roles and responsibilities	2.99	2.93	2.49	0.51
Legal and ethical oversight	3.09	3.07	2.68	0.41
Providing guidance and support to the chief executive	2.97	2.92	2.61	0.36
Thinking strategically as a board	2.87	2.83	2.52	0.35
Financial oversight	3.31	3.28	2.97	0.34
Level of commitment and involvement	2.92	2.88	2.61	0.32
Increasing the diversity of the board	1.94	1.87	1.63	0.31
Fundraising	1.93	1.88	1.63	0.30
Monitoring legislative and regulatory issues that may impact the organization	1.98	1.96	1.74	0.24
Community-building and outreach	2.26	2.25	2.05	0.21
Understanding the organization's mission	3.47	3.47	3.27	0.20
Knowledge of the organization's programs	2.79	2.78	2.70	0.09
Overall average grade	2.74	2.69	2.36	0.38

12 Between those boards that have assessed their performance in the past two years and those that have never assessed performance.

External Leadership & Ambassadorship

The board's active and engaged leadership outside of the boardroom is critically important to the organization's ability to extend its networks, build its influence, and enrich its reputation in a way that fuels greater financial, programmatic, and policy successes. In these external leadership roles, board members are typically engaging individually, rather than as a collective group, often relying heavily on a partnership with staff to leverage their unique position as community leaders.

Given the external, individualized aspects of these responsibilities, it is perhaps no surprise that board members may find them more challenging. For many board members, both fundraising and community outreach are outside of their comfort zone and — as a result — engagement can be intimidating. Indeed, these external leadership roles — including advocacy — are among the lowest rated areas of board performance (Figure W1) and areas cited most frequently for improvement (Figure W2) across all the years that we have included them in this study.

▶ Fundraising

WHAT WE FOUND	WHY IT MATTERS
Chief executives and board chairs agree that fundraising performance needs to be improved. Board chairs give their boards a C+ and chief executives give their boards a C in fundraising performance, and both groups identify it as one of the top three most important areas for improved board performance. It is the most frequently selected response. (Figures W1 and W2).	**Without fundraising, most nonprofits would cease to exist.** For most nonprofits, raising funds is essential not only to their success, but to their very existence. Boards can help support and accelerate these efforts, but it takes a commitment and intentionality to make it happen.
Establishing expectations for fundraising during recruitment is linked to stronger engagement. *Leading with Intent* finds that clarity of fundraising expectations is linked to greater engagement in fundraising: • When fundraising expectations are clearly articulated during recruitment, 52 percent of chief executives report their boards are actively engaged in the organization's fundraising efforts. • When fundraising expectations are not clearly articulated during recruitment; only 12 percent of executives report that their boards are actively engaged in fundraising efforts.	**Changes to board recruitment practices may be the key to improved fundraising performance.** Organizations and boards looking to strengthen their board's fundraising performance should reflect on what expectations are being set for board member involvement in fundraising during the recruitment process. Being candid about how an organization wants board members to engage in fundraising ensures that potential board members understand the expectations and can opt out of board service if this responsibility does not interest them. Without honest and transparent expectations, it is unlikely boards and organizations will begin seeing different results.

▶ Advocacy, Community-Building, and Outreach

WHAT WE FOUND	WHY IT MATTERS
Boards are starting to embrace their roles as advocates for their missions, but stronger leadership is essential. Two years ago, *Leading with Intent* found that only 33 percent of boards were working in concert with staff leadership to educate policymakers on behalf of the organization. Today, 52 percent of boards are actively participating in this work. Despite this progress in focused advocacy work, both executives and chairs agree: Boards still need to get better at their broad leadership as ambassadors for their missions through engagement in advocacy. When asked what the three most important areas for the board to address to strengthen its performance, "outreach efforts and acting as ambassadors for the organization" is second only to fundraising as the most often selected response, with 43 percent of executives and 42 percent of chairs including it among their top three choices (Figure W2).	**Building an organization's advocacy capacity is important, particularly in times of change.** Nonprofit organizations do not operate in a vacuum. Policy decisions at the local, state, and federal level impact the way nonprofits do their work, whether its access to funding, laws and regulations that govern their work, or policy decisions that affect those they serve. Advocating for decisions that will enable your organization to better fulfill its mission is always important, but it becomes even more important when there are significant changes in elected leadership (local, state, or federal level). Newly elected officials need to be educated about how policy decisions and funding changes could affect their communities. Nonprofit organizations and their leaders can, and should, play an important role in making sure this happens. By engaging in public policy through advocacy, nonprofit leaders ensure their mission and the people the organization serves are not forgotten when important decisions are being made.
Most organizations do not have formalized policies related to advocacy. Only 15 percent of nonprofits have a written protocol to guide how they will — and will not — engage in advocacy.	**Aligning values and goals around advocacy is essential.** Boards and chief executives need to have thoughtful conversations about organizational goals and values, and how advocacy can, and should be, used as a strategy for advancing these goals and values. An advocacy policy formalizes these decisions and ensures that the executive can lead the organization's advocacy efforts with confidence, and that there are clear expectations about what the board considers appropriate or inappropriate engagement in advocacy. An advocacy policy also helps reinforce the important role that board members should play in supporting those advocacy efforts; an expectation that some boards choose to incorporate into their board job description or pledge.

THE IMPACT

For the first time, *Leading with Intent* asked chief executives and board chairs to report on the extent to which their board has a positive impact on organizational performance. While a subjective measure that lacks objective validation, this question provides a window into perceptions of the board's impact on organizational performance and the extent to which it relates to other aspects of board performance.

Overall, both executives and chairs report the board has an impact on organizational performance, with only 14 percent of executives and five (5) percent of chairs indicating the board has no impact on organizational performance. It is important to note that a small percentage of respondents report that the board had a negative — versus positive — impact on organizational performance: five (5) percent of executives and two (2) percent of chairs.

FIG i1 WHAT IMPACT DOES YOUR BOARD HAVE ON THE OVERALL EFFECTIVENESS OF YOUR ORGANIZATION'S PERFORMANCE?

	Very positive impact	Somewhat positive impact	No impact	Somewhat or very negative
Board Chair	43%	50%	5%	2%
Chief Executive	29%	52%	14%	5%
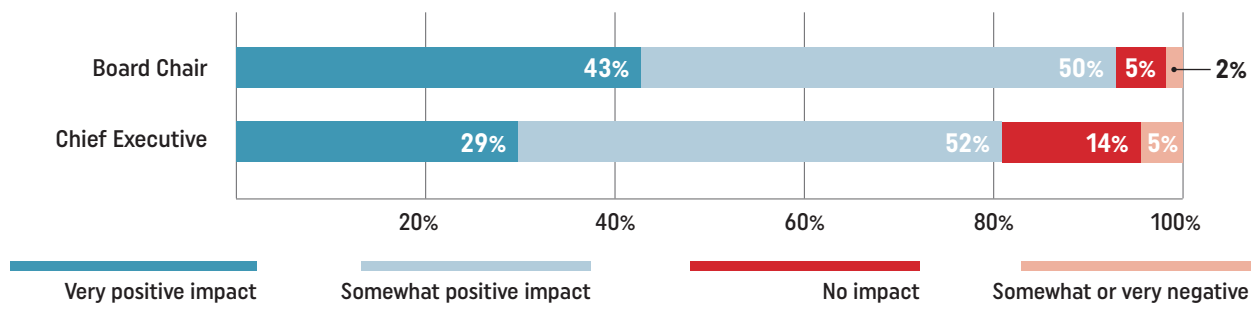
Building from this question, this year's study takes a closer look at the relationship between perceptions of the board's overall impact on organizational performance and other board characteristics. While this analysis relies on responses to subjective questions about board performance and culture and does not provide objective validation of those perceptions, the findings begin to document what BoardSource has long known to be true: Board leadership does have an impact on organizational performance.

This section of the report explores what the data indicate are the most significant relationships, and provides perspectives on how boards and executives can translate that into potentially high-leverage board development efforts.

Work vs. Culture

Leading with Intent asked board chairs and chief executives to reflect on various aspects of the board's work and its culture as well as to answer a series of objective questions about board structure, composition, and practices. When analyzing relationships between the subjective questions on the board's work and culture, there are variances in what chief executive and board chair responses point to in terms of the characteristics most related to the board's impact on organizational performance.

Broadly speaking,

- board chair responses generally emphasize the importance of the board's functional roles or work
- chief executive responses highlight the importance of positive board culture

FIG i2 — AREAS OF CULTURE AND WORK MOST LINKED TO PERCEPTIONS OF BOARD'S IMPACT ON ORGANIZATIONAL PERFORMANCE

	Strongest Relationship to Perceptions of Board Impact on Organizational Performance	
	Chief Executive Responses	**Board Chair Responses**
Work Characteristics	1. Level of commitment and involvement	1. Thinking strategically as a board
	2. Providing guidance and support to the chief executive	2. Board members receive information in advance of the meeting that is necessary to make informed decisions.
	3. Board members are prepared for board meetings, e.g., read materials in advance, follow up on assignments.	3. Meetings are well run and use effective meeting practices, such as clear agendas, good facilitation, start/end on time.
	4. Knowledge of your organization's programs	**4. Understanding the board's roles and responsibilities**
	5. Understanding the board's roles and responsibilities	5. Understanding your organization's mission
Culture Characteristics	**1. Our board is a collaborative team that works well together toward a common goal.**	**1. Our board is a collaborative team that works well together toward a common goal.**
	2. Board members appropriately balance short-term and long-term needs.	2. The majority of board members is actively engaged in overseeing and governing the organization.
	3. I see a clear linkage between board priorities and organizational goals.	3. I see a clear linkage between board priorities and organizational goals.
	4. Board members share accountability and take collective responsibility for failures and mistakes.	4. We have a clear vision that inspires me to work with enthusiasm and commitment.
	5. The majority of board members is actively engaged in overseeing and governing the organization.	5. The board continuously raises the bar by encouraging higher performance from its members and from the organization.

A Strong Understanding of Board Roles & Responsibilities

One area of board work that both chief executive and board chair responses support as fundamental to the board's positive impact on the organization's performance is **a strong understanding of the board's roles and responsibilities.**

For both executives and chairs, there is a strong correlation between their ratings of the board's understanding of its roles and responsibilities and their perceptions of the board's impact on organizational performance. As illustrated by Figure i3, boards rated as having a positive impact on organizational performance also have a strong understanding of their roles and responsibilities; those that have a negative impact on organizational performance are more likely to have a weak understanding of their roles and responsibilities.

FIG i3 THE RELATIONSHIP BETWEEN ROLE UNDERSTANDING AND IMPACT ON ORGANIZATIONAL PERFORMANCE

Strong understanding is defined as an A or B grade and weak understanding is defined as a D or F grade. Responses that indicate a C grade on understanding their roles and responsibilities or that indicate that the board has no impact on organizational performance are not included.

BOARD CHAIR PERCEPTIONS

- Positive impact on organizational performance: 80% (Strong), 3% (Weak)
- Negative impact on organizational performance: 0% (Strong), 67% (Weak)

CHIEF EXECUTIVE PERCEPTIONS

- Positive impact on organizational performance: 73% (Strong), 5% (Weak)
- Negative impact on organizational performance: 16% (Strong), 50% (Weak)

■ Strong understanding of board's roles & responsibilities
■ Weak understanding of board's roles & responsibilities

The board's understanding of roles and responsibilities is fundamental to the board's performance across the other areas of board responsibility. As Figure i4 demonstrates, boards that have a strong understanding of roles also tend to have stronger performance across all other performance areas.

FIG i4 HOW DO BOARDS THAT RATE WELL IN THEIR UNDERSTANDING OF THEIR ROLES AND RESPONSIBILITIES PERFORM IN OTHER AREAS OF BOARD WORK, WHEN COMPARED TO THEIR PEERS THAT DID NOT RATE WELL IN THEIR UNDERSTANDING OF THEIR ROLES AND RESPONSIBILITIES?[13]

Area of Board Performance Ratings Reported by Executives Based on a Four-Point Scale	Strong Understanding of Role (A or B)	Weak Understanding of Role (D or F)	Variance
Adopting and following a strategic plan	3.08	1.33	1.75
Thinking strategically as a board	3.09	1.42	1.66
Monitoring performance against strategic plan goals/objectives	2.82	1.22	1.59
Providing guidance and support to the chief executive	3.17	1.60	1.57
Evaluating the chief executive	2.81	1.26	1.56
Legal and ethical oversight	3.27	1.77	1.50
Level of commitment and involvement	3.12	1.68	1.44
Community-building and outreach	2.51	1.13	1.38
Monitoring legislative/regulatory issues that may impact org	2.17	0.87	1.30
Increasing the diversity of the board	2.06	0.83	1.23
Financial oversight	3.45	2.26	1.18
Fundraising	2.08	0.91	1.17
Understanding organization's mission	3.65	2.56	1.09
Knowledge of organization's programs	3.01	2.00	1.01

▶ Current Performance

Because there is a strong correlation between a board's understanding of its roles and responsibilities and its perceived impact on organizational performance, the board's performance is this area is especially important. The following section summarizes current board performance in this critical area.

WHAT WE FOUND	WHY IT MATTERS
Boards receive average grades on understanding their roles and responsibilities. Both executives and chairs give their boards a B grade when it comes to understanding their roles and responsibilities. Executives overall rating is 2.73 on a 4-point scale; chairs rate boards slightly higher at 2.96.	**Role definition and understanding is fundamental.** For any board to work effectively, it must be clear about what the work is. The data demonstrate that a board's understanding of its roles and responsibilities relates to strong board performance in other areas and the perceptions of the board's impact on organizational performance. Given that boards get a B grade in this area, and that 37 percent of executives and 25 percent of chairs give their boards a C grade or below in this area, it is clear that stronger orientation and ongoing education about the board's essential roles and responsibilities is a potentially high-leverage opportunity for board development.

13 These numbers are as reported by chief executives. The board chair results were very similar with the variances ranging from 1.90 for adopting and following a strategic plan down to 1.05 for legal and ethical oversight.

The Board as a Collaborative Team

Both board chair and chief executive responses indicate a strong relationship between perceived board impact on organizational performance and one particular area of board culture: **the extent to which the board functions as a collaborative team working toward a common goal**. However, as Figure i5 demonstrates, this relationship is much stronger according to executives versus chairs.

FIG i5 **TO WHAT EXTENT IS THE BOARD A COLLABORATIVE TEAM?**

Strong performance is defined as an A or B grade and weak performance is defined as a D or F grade.

BOARD CHAIR PERCEPTIONS

	Board is a collaborative team.	Board is not a collaborative team.
Positive	97%	58%
Negative	0%	13%

EXECUTIVE PERCEPTIONS

	Board is a collaborative team.	Board is not a collaborative team.
Positive	90%	32%
Negative	1%	33%

— Positive impact on organizational performance
— Negative impact on organizational performance
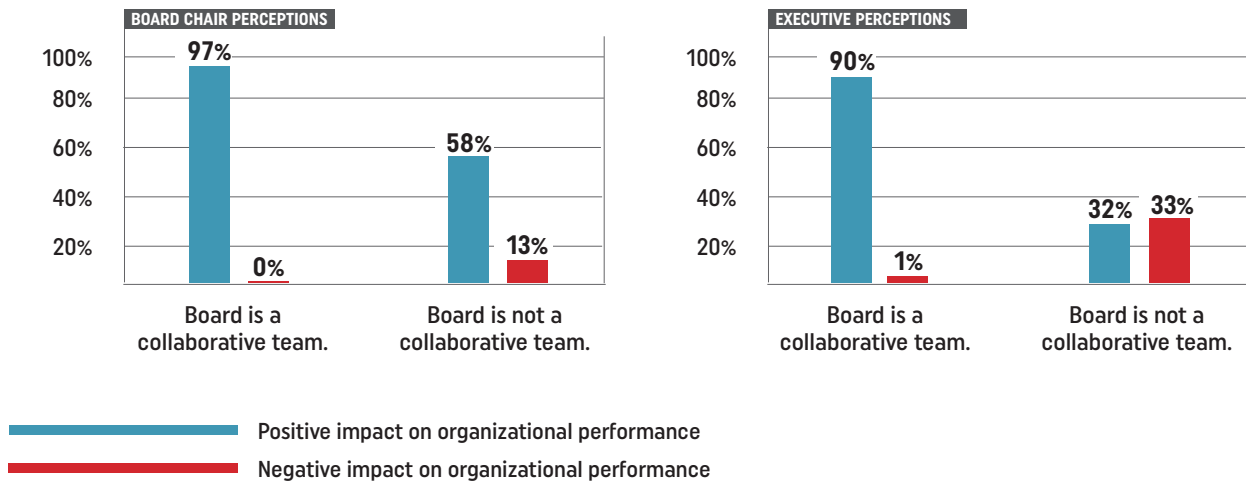
▶ Current Performance

This aspect of board culture clearly matters when it comes to the board's perceived impact on organizational performance. The following section summarizes current board performance is this area.

WHAT WE FOUND	WHY IT MATTERS
Executives and chairs have different perspectives on whether the board is a collaborative team working toward a common goal. Seventy-five (75) percent of executives and 86 percent of chairs agree their boards are collaborative teams working toward a common goal. While this is quite positive overall, it is one of the highest levels of disagreement between chairs and executives on all of the questions related to board culture (Figure C1, page 21).	**Boards should align themselves behind common goals and work together to achieve them.** Given the significance of this aspect of board culture and the relatively high levels of disagreement between chairs and executives, boards and executives may want to have a focused conversation about how the board is doing in this critical area. If together they identify room for improvement, building an action plan to ensure alignment around goals and working together as a team would be time well spent.

The Information Needed to Make Informed Decisions

Notably, there was only one board characteristic identified by board chairs as having a strong relationship to the board's impact on organizational performance that did not surface as strongly in chief executive responses: Board members receive the information in advance of meetings necessary to make informed decisions.

While the data cannot demonstrate causation, it is reasonable to assume from this finding that
· board chairs believe a board's impact on organizational performance is directly affected by the board receiving the information it needs to make informed decisions in advance of a board meetings
· chief executive responses demonstrate they do not place the same emphasis on the importance of board materials

▶ Current Performance

Acknowledging a disconnect in the perspectives between chairs and executives, *Leading with Intent* looks at both meeting preparedness and advance materials to benchmark current performance.

WHAT WE FOUND	WHY IT MATTERS
Board chairs and chief executives agree that too many board members are unprepared for meetings.	The explanation for why board members are unprepared is open to interpretation.
More than a quarter (26 percent) of executives and nearly a fifth (18 percent) of board chairs report that board members are unprepared for board meetings.	Executives rate board members lower than board chairs do on preparedness for meetings, but executives are more likely to state that board members receive the information they need to prepare for meetings (Figure i6).
	This — coupled with the feedback from chairs about the importance of receiving materials in advance — begs the question: Could chief executives have a blind spot about the materials and time needed to prepare adequately for meetings?
	Given this possibility, executives should reflect with the board chair on how effectively the board is being prepared to engage in board meetings and decision making, and what might need to change.

FIG i6 BOARD CHAIR AND EXECUTIVE PERSPECTIVES ON LEVEL OF PREPAREDNESS FOR BOARD MEETINGS

	Chairs	Executives	Variance
Board members are prepared for meetings...			
· To a great extent	29%	20%	9%
· To some extent	53%	54%	1%
· To a small extent or not done	18%	26%	8%
Board members receive the information they need in advance of meetings to make informed decisions...			
· To a great extent	78%	81%	3%
· To some extent	20%	15%	5%
· To a small extent or not done	2%	3%	1%

OPORTUNITIES FOR REFLECTION

Leading with Intent identifies many opportunities for board development and reflection. As you consider how these opportunities relate to your board's people, culture, work, and impact, BoardSource offers the following suggestions for board reflection and consideration.

1 Help your board cultivate a deeper understanding of your organization's work.

Make it an ongoing priority to deepen your board's understanding of your organization's programs — what you do, why it matters, and how you know you are having an impact. To understand your starting point, reflect on the following questions with your governance committee members, or whichever group of board leaders has responsibility for board self-management:

1. To what extent do each of our board members understand our programs? Is the level of understanding strong enough to give us confidence about our ability as a board to make strategic decisions about our organization's future?
2. How effectively are we creating opportunities for board members to experience our programs and/or hear from those we serve? Does our approach to board education include enough "show," instead of just "tell"?
3. If our chief executive left the room during a board meeting, would board members be able to continue a robust discussion about what we have prioritized programmatically and why?

2 Create opportunities to build your board's comfort with and engagement in providing leadership outside of the boardroom.

Think strategically and creatively about how to position board members for stronger leadership outside the boardroom through fundraising, advocacy, and broader community outreach. Consider asking each board member to reflect on the following as part of a full board conversation or another appropriate forum:

1. What makes you proud about your affiliation with our organization? How do you know that our work matters? Why and how does it matter to you personally?
2. How many of the people in your life — family, colleagues, neighbors, or others — know about your board leadership with our organization? Fundraising aside, how comfortable are you talking with them about the work that we do and why it is important to you?
3. If elected officials and other decision makers in our community knew of your involvement with our organization, would they be more interested in learning about our organization's work? How could you leverage this connection to strengthen our organization's impact or defend it from potential funding or policy threats?
4. If our organization ceased to exist, what would be lost? If we were to significantly grow or expand our impact, what new reality could this create? How could each of our roles as advocates and fundraisers help prevent the former and create the latter?

For more on the board's advocacy role, visit standforyourmission.org.

3 Explore and define your organization's values as it relates to diversity, inclusion, and equity.

Start a conversation about what diversity means to your organization, and what a commitment to diversity, inclusion, and equity would look like for your board, your organization, and your work in the community. Consider the following questions as a part of a full board conversation:

1. Is our organization's reputation being negatively (or positively) impacted by our board's current composition vis-à-vis diversity? If someone were to make assumptions about our organizational values based on our board composition, what would they be likely to think?
2. How well are we cultivating a deeper understanding of the community or communities that we serve and bringing their perspectives, needs, feedback, and priorities into our strategic boardroom discussions? Are we ever at risk of making decisions without fully understanding how these decisions may affect those we serve?
3. If we were to make a deeper commitment to diversity, inclusion, and equity, what would that mean for our mission, our work, and the people we serve?

For more on the board's leadership role on issues related to diversity, inclusion, and equity, visit boardsource.org/initiatives/diversity-equity-inclusion.

4 Check in regularly on how well your board understands — and is fulfilling — its roles and responsibilities.

Ensure that every board member starts his or her service with a firm understanding of his or her roles and responsibilities — both what they are and what they aren't — and continually reinforce the importance of role understanding throughout every member's service. Reflect on the following as a part of a governance and/or executive committee meeting:
1. How confident are we that each board member has a firm understanding of the board's responsibilities and governing role?
2. How effectively is our board leveraging its leadership for oversight, strategic and adaptive work, and external leadership and ambassadorship? Are we over- or under-emphasizing any of these categories or work? What would the ideal balance look like for us as a board?
3. If we are veering toward micromanagement in a board conversation, do we have the understanding, culture, and leadership among our board members that enable us to self-identify that and recalibrate in the moment, or would it go unchecked or rely on the executive to say something?
4. What mechanism do we have for regularly reflecting on our overall performance as a board, and how well we are fulfilling our leadership roles both within and outside of the boardroom?

5 Invest in the board's culture.

Work to cultivate a board culture of trust, respect, and mutual accountability within your board by creating opportunities for your members to engage with each other in a way that deepens their understanding of each other and their shared commitment to the organization's work. Reflect on the following as a part of a governance committee meeting or a conversation between the board chair and executive:
1. Who is involved in the board's decision making? Is it a full board activity? Or are smaller groups of power (e.g., executive committee) making decisions before or after board meetings? How does this affect our culture, and the trust and openness between board members?
2. Does the way that we facilitate board meetings encourage thoughtful discussion and deliberation? Are we closer to debating things too much or too little? How does this affect our ability to make well-considered decisions and move forward as a collective leadership body?
3. To what extent have our board members cultivated relationships with each other that enable them to trust and respect each other, even when they disagree?

DATA AT-A-GLANCE*

	ALL	Budget Size			Type				
		Small < $1 million	Medium $1 – 9.9 million	Large $10+ million	Charity	Foundation	Association	Other	
Number of Responding Organizations	1,378	552	620	138	879	111	122	266	5
BOARD STRUCTURE									
Average board size	15.3	13.1	16.9	17.5	15.3	13.5	16.9	15.2	1
Have 3-year terms for board members	61%	57%	64%	60%	64%	55%	48%	58%	6
Limit board members to 3 or fewer consecutive terms	66%	61%	69%	71%	68%	66%	60%	63%	6
Do not limit consecutive terms for board members	28%	33%	24%	22%	27%	27%	31%	31%	2
Chief executive is a non-voting member of the board	38%	37%	41%	33%	38%	23%	45%	42%	4
Chief executive is a voting member of the board	13%	16%	10%	11%	14%	16%	10%	11%	1
BOARD PRACTICES									
Written vision statement	84%	80%	86%	88%	84%	79%	81%	88%	8
Written job description for the chief executive	89%	83%	93%	97%	89%	89%	89%	89%	8
Conduct a annual written board performance evaluation for the chief executive	60%	47%	68%	79%	58%	67%	67%	63%	5
Conducted a formal, written board assessment in past 3 years	45%	35%	51%	63%	48%	38%	44%	41%	4
Actively work to educate policy makers	52%	47%	53%	73%	51%	51%	62%	54%	4
Written public protocol for advocacy	15%	11%	17%	27%	16%	14%	20%	12%	1
Written public policy or advocacy policy agenda	13%	8%	15%	26%	11%	11%	28%	12%	1
Budget for board professional development/education	37%	36%	38%	38%	35%	48%	43%	38%	3
Pay board members a salary	1%	1%	1%	0%	1%	3%	1%	1%	
Pay board members an honorarium	1%	1%	2%	3%	0%	5%	3%	3%	
Reimburse board members for travel expenses	19%	11%	21%	39%	13%	33%	45%	20%	
Organization engages in fundraising	86%	91%	85%	76%	95%	58%	53%	83%	9
Require board members to make a personal monetary contribution to the organization	59%	60%	58%	54%	69%	36%	19%	51%	6
The board actively participates in fundraising versus relying mostly on the CEO and staff	40%	40%	41%	36%	42%	36%	31%	35%	4
Expectations related to fundraising are clearly explained during recruitment	67%	64%	70%	65%	70%	64%	46%	62%	6
ACCOUNTABILITY POLICIES & PRACTICES (% of boards that have/do)									
Conduct an annual external audit	83%	65%	95%	98%	85%	81%	72%	82%	8
Meet as a full board or as a committee of the board with auditors	64%	39%	79%	96%	66%	63%	49%	64%	6
Meet as a full board or as a committee of the board with auditors without staff present	26%	9%	33%	61%	24%	32%	21%	30%	2
Distribute Form 990 to board before filing	79%	73%	83%	87%	83%	70%	72%	72%	8
Post Form 990 to own Web site	38%	27%	46%	48%	44%	39%	24%	24%	3
Post financial statements to own Web site	29%	19%	35%	39%	31%	34%	24%	19%	2

	ALL	Budget Size			Type				
		Small < $1 million	Medium $1 – 9.9 million	Large $10+ million	Charity	Foundation	Association	Other	
COMMITTEES									
Average number of permanent committees	4.5	4.0	4.7	5.3	4.4	4.2	6.3	4.4	
Have written charters for committees	47%	32%	55%	71%	47%	50%	50%	45%	4
Executive Committee	76%	73%	79%	77%	78%	68%	81%	72%	7
Finance & Audit Committee	45%	37%	53%	43%	48%	33%	31%	45%	4
Finance Committee (separate from Audit)	31%	29%	29%	43%	30%	32%	35%	29%	3
Audit Committee (separate from Finance)	16%	5%	20%	42%	15%	28%	21%	13%	1
Governance & Nominating Committee	41%	30%	48%	51%	43%	36%	26%	40%	3
Governance Committee (separate from Nominating)	9%	10%	8%	7%	8%	8%	15%	7%	
Nominating Committee (separate from Governance)	21%	20%	20%	25%	18%	18%	43%	20%	2
Fundraising/Development Committee	53%	53%	56%	43%	61%	34%	17%	51%	6
BOARD PERFORMANCE									
Board has a "very positive" impact on organization's performance	28%	28%	26%	38%	26%	39%	32%	31%	2
Regularly monitors the organization's progress against the strategic plan goals	66%	55%	73%	80%	65%	65%	71%	69%	6
Ensures that the organization's programs or impact are assessed	62%	55%	66%	72%	63%	59%	55%	61%	
Key Board Performance Areas (% received A or B grades from CEO)									
Understanding your organization's mission	87%	84%	88%	93%	87%	88%	86%	86%	8
Thinking strategically as a board	61%	55%	64%	71%	61%	66%	62%	59%	6
Adopting and following a strategic plan	59%	51%	64%	71%	59%	54%	67%	60%	6
Understanding the board's roles and responsibilities	63%	57%	66%	75%	63%	63%	66%	64%	6
Level of commitment and involvement	64%	56%	67%	79%	63%	74%	68%	60%	6
Knowledge of your organization's programs	63%	64%	62%	62%	62%	72%	65%	64%	6
Fundraising	24%	24%	23%	27%	27%	26%	13%	16%	2
Providing guidance and support to the chief executive	64%	59%	67%	72%	64%	68%	68%	63%	6
Evaluating the chief executive	52%	40%	58%	66%	50%	57%	52%	55%	4
Legal and ethical oversight	68%	59%	71%	84%	67%	72%	65%	68%	6
Financial oversight	78%	68%	83%	93%	77%	84%	75%	79%	7
Monitoring legislative and regulatory issues that have the potential to impact the organization	25%	22%	25%	38%	21%	34%	45%	26%	1
Increasing the diversity of the board	23%	21%	23%	27%	21%	33%	24%	23%	2
Community-building and outreach	38%	39%	36%	36%	36%	52%	38%	38%	3
Monitoring organizational performance and impact against strategic plan goals or objectives	49%	39%	54%	64%	47%	49%	53%	51%	4
Key Board Chair Performance Areas (% received A or B grades from CEO)									

	ALL	Budget Size			Type				
		Small < $1 million	Medium $1 - 9.9 million	Large $10+ million	Charity	Foundation	Association	Other	
BOARD CULTURE *(Continued)*									
Board members listen attentively and respectfully to each other.	90%	88%	91%	95%	91%	93%	87%	91%	
The board encourages, supports, and listens to creative and innovative suggestions.	88%	86%	88%	92%	88%	85%	83%	90%	
The board is adaptable in the face of changes in the environment, funding levels, etc., in order to sustain the mission and organization.	79%	74%	81%	92%	79%	87%	79%	79%	
Board members' own further learning and growth about the organization and the board's work is a high priority.	52%	48%	54%	62%	52%	47%	57%	55%	
Our board is a collaborative team that works well together toward a common goal.	75%	73%	76%	82%	74%	78%	75%	78%	
There is honest communication between board members.	79%	77%	81%	82%	79%	85%	75%	80%	
Success is celebrated on the board.	80%	80%	80%	77%	79%	82%	82%	79%	
Board members share accountability and take collective responsibility for failures and mistakes.	55%	55%	54%	65%	54%	58%	66%	55%	
Our board has social time specifically for its members.	49%	45%	49%	58%	45%	58%	68%	49%	
The board continuously raises the bar by encouraging higher performance from its members and from the organization.	45%	42%	45%	56%	44%	47%	51%	45%	
Most board members are eager to stay on the board for the maximum time allowed in the bylaws.	79%	73%	82%	91%	77%	88%	79%	83%	
DIVERSITY & INCLUSION									
Made explicit and discussed the benefits of diversity and inclusivity of the board, as it pertains to your mission	70%	66%	71%	81%	72%	67%	63%	67%	
Agreed that it is important to incorporate diversity and inclusion into the organization's core values	76%	76%	75%	79%	75%	64%	78%	80%	
Developed a detailed plan of action for the board to become more inclusive, including measures of progress	18%	15%	19%	19%	18%	18%	21%	17%	
Encouraged resources be allocated to support recruitment of diverse board leaders and to inspire board service	17%	16%	17%	25%	17%	17%	20%	17%	
Modified organizational policies and procedures to be more inclusive	29%	29%	28%	38%	29%	25%	27%	29%	
Conducted diversity training for staff and board members	21%	15%	23%	38%	22%	11%	13%	25%	
Evaluated and modified recruitment efforts specifically to reach potential members from diverse backgrounds	48%	45%	50%	55%	48%	55%	46%	44%	
Have a written diversity and inclusion statement	44%	41%	46%	51%	46%	34%	34%	47%	

	ALL	Budget Size			Type				
		Small < $1 million	Medium $1 – 9.9 million	Large $10+ million	Charity	Foundation	Association	Other	
Board Chair Demographics									
Gender: Female	42%	44%	42%	32%	41%	33%	48%	45%	
Male	58%	55%	58%	67%	59%	67%	52%	55%	
Other	0%	0%	0%	1%	0%	0%	0%	0%	
Ethnicity: Hispanic or Latino (any race)	3%	3%	3%	3%	3%	7%	6%	2%	
Not Hispanic or Latino (any race)	97%	97%	97%	97%	97%	93%	94%	98%	
Race: American Indian or Alaska Native	1%	1%	1%	1%	1%	0%	2%	2%	
Black/African-American	5%	5%	5%	6%	5%	1%	4%	5%	
Asian	2%	2%	2%	3%	2%	3%	2%	2%	
Caucasian	90%	90%	90%	90%	90%	95%	89%	88%	
Native Hawaiian or Pacific Islander	0%	0%	0%	0%	0%	0%	1%	0%	
Two or more races	1%	1%	1%	0%	0%	1%	1%	0%	
Other	1%	1%	1%	1%	2%	0%	2%	2%	
Age: Under 40**	10%	14%	8%	1%	10%	4%	12%	10%	
Board Members (Voting) Demographics									
Gender: Female	48%	50%	47%	41%	48%	45%	47%	47%	
Male	52%	50%	53%	59%	52%	55%	53%	53%	
Other	0%	0%	0%	0%	0%	0%	0%	0%	
Ethnicity: Hispanic or Latino (any race)	5%	4%	5%	6%	4%	7%	6%	5%	
Not Hispanic or Latino (any race)	95%	96%	95%	94%	96%	93%	94%	95%	
Race: American Indian or Alaska Native	1%	1%	1%	1%	1%	1%	1%	1%	
Black/African-American	8%	8%	7%	9%	8%	6%	6%	8%	
Asian	3%	3%	3%	2%	3%	4%	4%	2%	
Caucasian	84%	84%	84%	84%	84%	85%	86%	84%	
Native Hawaiian or Pacific Islander	0%	0%	1%	0%	0%	0%	0%	1%	
Two or more races	1%	1%	1%	0%	1%	1%	1%	1%	
Other	3%	3%	3%	2%	3%	3%	2%	4%	
Age: Under 40	17%	21%	16%	9%	18%	9%	16%	16%	
40-49	26%	25%	28%	24%	27%	20%	29%	25%	
50-64	41%	38%	42%	47%	41%	46%	45%	40%	
65 or older	16%	16%	15%	21%	15%	25%	10%	19%	
Chief Executive Satisfaction with Level of Board Diversity (% extremely or somewhat satisfied)									
Age	49%	48%	52%	40%	50%	46%	55%	44%	
Gender	53%	52%	56%	51%	54%	57%	52%	50%	
Race	18%	16%	18%	19%	17%	26%	19%	16%	
Diverse socioeconomic status	22%	21%	22%	26%	21%	24%	21%	27%	
LGBTQ	13%	13%	14%	13%	12%	14%	14%	17%	
Persons with a disability	10%	11%	9%	11%	9%	9%	6%	14%	
CHIEF EXECUTIVES									

APPENDIX

Characteristics of Participating Organizations

The respondent pool represents a cross-section of nonprofit organizations based on budget size and geographic service area (see Figure A1), as well as on missions (see Figure A3). Participating organizations are well distributed geographically and come from all 50 states. The respondents also include 34 non-U.S.-based organizations (see Figure A4).

FIG A1 ORGANIZATION TYPE, BUDGET SIZE, AND GEOGRAPHIC SERVICE AREA

Annual Operating Budget	% of Respondents
Small - Less than $1 million	40%
Medium - $1 million to $9.9 million	45%
Large - $10 million and more	10%
Not specified	5%

Geographic Service Area	% of Respondents
Local	39%
State - Statewide or regional within a state	36%
National - Regional across multiple states or national	14%
International	7%
Not specified	4%

Type of Organization	% of Respondents
Charity - Public charity	64%
Association - Association or professional society/trade association	8%
Foundation - Private, independent, community, public, operating, or other	9%
Other - Includes schools/universities and governmental agencies	19%

Year Founded	% of Respondents
Before 1949	15%
1950-1974	21%
1975-1999	41%
2000-2016	18%
Not specified	5%

ORGANIZATION MISSION AREA

Mission Area	% of Respondents
Human Services	16%
Education	12%
Arts, Culture and Humanities	9%
Youth Development	8%
Health Care	8%
Housing and Shelter	6%
Philanthropy, Voluntarism and Grant-making Foundations	5%
Community Improvement and Capacity Building	4%
Mental Health and Crisis Intervention	3%
Environment	3%
Animal-Related	2%

Mission Area	% of Respondents
Diseases, Disorders, and Medical Disciplines	2%
Food, Agriculture and Nutrition	2%
Public and Societal Benefit	2%
Civil Rights, Social Action, and Advocacy	2%
Recreation and Sports	2%
Religion-related	2%
Employment	1%
Science and Technology	1%
International, Foreign Affairs and National Security	1%
Other	11%

LOCATION OF RESPONDING ORGANIZATIONS *SORTED FROM MOST TO LEAST RESPONDENTS*

State	% of Respondents	State	% of Respondents	State	% of Respondents
CA	9.2%	CO	2.5%	NH	0.8%
TX	5.4%	MD	2.1%	AL	0.7%
IL	4.6%	DC	2.1%	KS	0.7%
FL	4.5%	GA	2.0%	AK	0.7%
NY	4.4%	IA	1.9%	HI	0.7%
MI	4.4%	MO	1.9%	MT	0.7%
VA	4.3%	OR	1.6%	NM	0.7%
IN	3.8%	CT	1.5%	WY	0.6%
PA	3.4%	NJ	1.3%	UT	0.5%
OH	3.4%	SC	1.2%	DE	0.4%
WA	3.4%	ME	1.1%	NV	0.4%
NC	2.8%	OK	1.1%	ND	0.2%
WI	2.8%	TN	1.1%	ID	0.2%
Outisde US	2.8%	KY	1.0%	MS	0.2%
AZ	2.7%	NE	1.0%	RI	0.2%
MA	2.7%	AR	0.9%	SD	0.2%
MN	2.5%	LA	0.8%	WV	0.1%

FIG A4   PROFILE OF RESPONDING CHIEF EXECUTIVES

Average tenure in position	8 years
Median compensation	$89,000
First-time chief executive	66%
Serves as a member of the board (voting)	13%
Serves as member of the board (non-voting)	38%
Does not serve as a member of the board	49%
Written employment contract	31%

FIG A5   BOARD SERVICE OF BOARD CHAIR RESPONDENTS

		% of Respondents
	1 Nonprofit Boad	28%
	2 Nonprofit Boards	15%
Other Board Service	3+ Nonprofit Boards	10%
	Corporate	7%
	Other	10%

		Median
Years of Service to Organization	As Board Members	5 years
	As Chair	2 years

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