

# OVERVIEW

- Emerging thinking about governance to reflect the new conceptual understanding of an organization – a paradigm change from hierarchical, rigid structures to complex adaptive systems
- Reflections on board models and implications to your board and the sector
- Improved board processes – especially recruitment

# What is Governance?

- Governance is one of the most frequently used and least understood terms in use today
- We act on the assumption that it is important but are we confusing leadership, management and governance?

# Governance is...

- The art of steering your organization – concept of stewardship – requires clarity about the purpose of the organization - the vision/mission/values, conceiving ways to achieve the purpose/mission in the healthiest way, guiding progress towards goals, assuming responsibility for the sustainability of the organization.
- A process...not an institution...a dynamic cumulative process – a journey not a destination
- A shared responsibility between the professional staff and the volunteer board.

# Reframing Governance

- Seeing emergence of new governance models at new levels/scales
- Systems perspective
- Increased focus on the community
- Interorganizational alliances and networks of relationships
- From 'ego' to 'eco'

# Overview of Current Reality

- Arts organizations must raise more money and it is increasingly difficult to raise contributed funds
- The professional and personal reality of people whom we select as board members has become more complex and stressful – people are becoming more project and task focused

# **Arts organizations are encumbered with theories and myths about what a board should, would, could do**

- There is no ‘single board model’ – can’t always use institutional or corporate lens in examining arts organizations
- Must know what we want from board member
- Professional staff must assume authority/accountability/responsibility for their organization – but they can only do this in collaboration with board – their community partners

# New conceptual building blocks

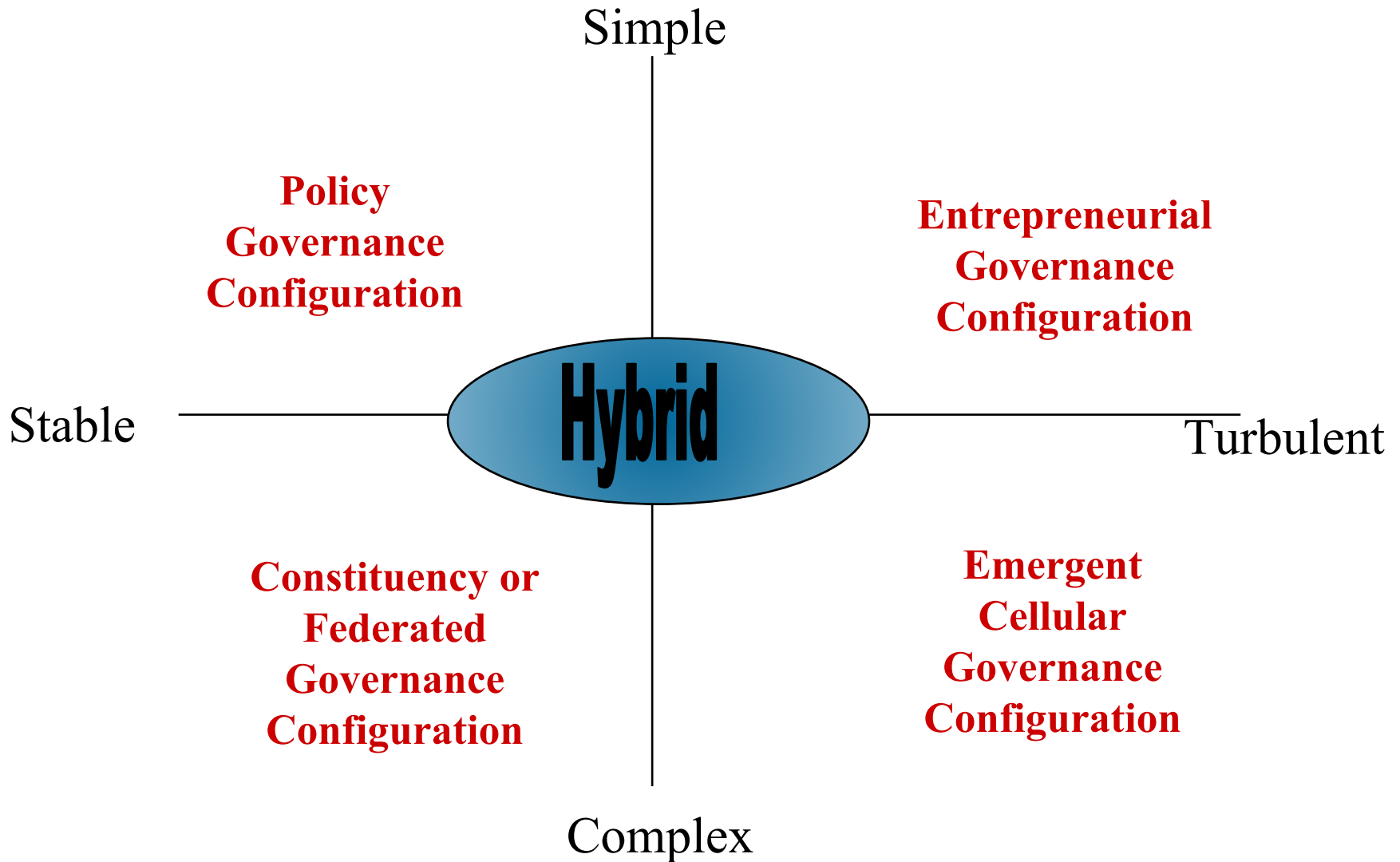
- Artistic process is central – if the organization succeeds it's because of the artistic work or service
- Must achieve a dynamic balance:  
leadership/vision/organization equation/process – not a linear growth trajectory
- Maintain entrepreneurial roots – an arts organization is an entrepreneurial business to deliver a mission
- Professional leadership must lead

# A contingency perspective

- Choice of an ideal governance model depends on:
  - Environment
  - Decision makers world view
  - Structure/power relations
  - Strategy
  - Technology
  - Organizational culture



# Typology of Governance Configurations



# Entrepreneurial Board Configuration

- Less formalization – fewer policies and less bureaucracy
- More action oriented
- Fewer or no committees
- Smaller size
- Less rigidity of roles and responsibilities – some overlap of board and staff roles
- More focus on effectiveness and getting the work done
- More centralized
- More emergent strategic planning processes with board and staff participation

## EMERGENT CELLULAR CONFIGURATION

- Less formalization e.g. informal board practices
- Fewer fixed committees and more fluid with task forces and temporary committees
- More diverse membership (attempt to be inclusive of multiple stakeholders and constituents)
- More alternative or non-mainstream ideologies (e.g. feminist, anti-oppression and social justice)
- Smaller board size
- More decentralized and less hierarchical
- Emergent strategic planning processes and board, staff and sometimes community impact into the process

# Board Recruitment

- Where to start – minimum viable board is 3 people
- Must be people who have a deep and passionate commitment to the purpose/mission/values/aesthetic and professional leadership
- Only add people after deciding whether to have larger board. Can use other mechanisms such as: Resource Council, task forces, etc. Many people prefer to take on specific task and not have full board responsibility

# Determine board roles – what are 3 or 4 most critical challenges

Casting the community:

- Casting decision
- Clarity about roles
- Unique artistic process and culture of org.
- Expectations
- Rigorous audition process (cultivation)
- Where do you look for new board members – core audience should be key.

# Board Roles

- Strategic positioning of organization to selected sectors of community
- If charitable, developmental role – participation in appropriate fundraising activities
  - Every board member’s job is to see if a relationship with a potential financial resource can be cultivated – fundraising is 95% cultivation and 5% is the ASK

# Board Roles

- Make a significant personal contribution to annual operating budget – 100% of the board contributes and total board contribution should be significant in relation to total budget
- Legal responsibility – a public trust to deliver the mission and to find the resources to do this
- Fiduciary responsibility – is the organization spending the money the way it said it would – board members have to be able to vouch for the integrity of the organization to the community and funders

# Board Roles

- Adopting and monitoring the annual budget – focus should be on contributed and earned income – are they realistic and achievable – board must understand its commitment to raising the revenue to cover the income gap
- Other criteria – defined by organization – prospective board members must understand these and agree in cultivation process – not learn at orientation session or first board meeting



# Ensuring effective board

- Fourth priority rule in selecting board members:
  - Personal responsibilities
  - Professional responsibilities
  - One other company – religion – avocation/hobby
  - Your organization
- Help each board member be successful
  - Develop annual work plan – carefully
  - Board Chair is important partner in the process to make it work

# Ensuring effective board

- Board leadership – may need 2 leaders Chair and President
  - These two positions require totally different skill sets, so the Chair never becomes the President – each has its own succession plan
- Core conceptual planning group
- Annual board member evaluation
- Term limits – not always required if there is clarity about what is expected from each board member

# Re-thinking board meetings

- Topic specific forums for discussing significant issue affecting life of organization – a strategic agenda focused on mission of organization
- Eliminate reports from meeting – send prior to meeting – if questions, ask staff before meeting – only present reports when action is required or significant change from approved report – e.g. 10% or more change in budget item.

# Topics for board discussion

- Next body of artistic work or program – why it's being presented/produced
- Fundraising plan
- A discussion of next year's budget as a philosophical document – a way for the board to understand that the needs within the budget cannot be reconciled because there are not enough resources – if there were more resources more productive and creative choices could be made – a forum for understanding the financial equation
- Long-range planning – future scenarios – legacy of work

# Diversity & Inclusion

Two approaches required:

- Functional inclusion – goal-driven and purposeful strategies for increased inclusion of individuals identified as from diverse or traditionally marginalized communities
- Social inclusion – participation in the interpersonal dynamics and cultural fabric of the board based on meaningful relational connections and authentic engagement as whole members of the board, avoiding marginalization and alienation

# Approaches to functional inclusion

- Board policies addressing inclusion
  - Policies related to anti-oppression, discrimination
  - Policies related to recruitment and retention based on diversity, equity and inclusion
- Practices to enhance inclusion
- Recruitment practices to attract diversity
- Board structure
  - Create a diversity committee tasked with making the board more diverse and use committees as training context

# Approaches to social inclusion

- Mentorship and coaching, orientation practices and other group building processes such as retreats and workshops
- Holding meetings at times and in locations where everyone could attend (e.g. accessible, etc.)
- Food served accommodated to cultural/dietary restrictions
- ensure conversations are not marginalizing or silencing people or exhibiting unconscious privilege
- Inclusive and welcoming organizational culture

# Good governance prevails when you have...

- A well-functioning Board
- Real accountability
- Clarity of purpose
- Transparency & openness
- Good Board – staff relations



# And its consequences are...

- Trust
- Credibility
- Legitimacy – the board can vouch for the integrity of the organization
- Results that matter
- Resilience - the ability to weather crises
- A climate & relationships receptive to fundraising

# What is your ideal Board?

- DIVERSE
- PASSIONATE
- ENGAGED
- INFORMED
- ACTIVE
- EFFECTIVE

What have we missed?

# Board Staff Relationships

The Board:	Shared	The Staff:
Governance	Responsibilities	
Financial & legal compliance	Vision/Mission/Values knowledge	Programming
Leadership appointment & evaluation	Strategic Planning Monitoring/Evaluation evaluation	Operations Program & org.
Policy development - operations	Fundraising	Policy development
Board processes	Community engagement	Implementation of
	Board management	Board policy

# Resources

## Peering into the Future: Reimagining Governance in the Non-Profit Sector

- [https://munkschool.utoronto.ca/mowatcentre/wp-content/uploads/publications/171\\_EE\\_peering\\_into\\_the\\_future.pdf](https://munkschool.utoronto.ca/mowatcentre/wp-content/uploads/publications/171_EE_peering_into_the_future.pdf)

## Framing Forward: Reimagining Governance

- [https://theonncanada.ca/wp-content/uploads/2020/08/Framing\\_summary\\_Reimagining\\_Governance\\_Final\\_Oct\\_2019.pdf](https://theonncanada.ca/wp-content/uploads/2020/08/Framing_summary_Reimagining_Governance_Final_Oct_2019.pdf)