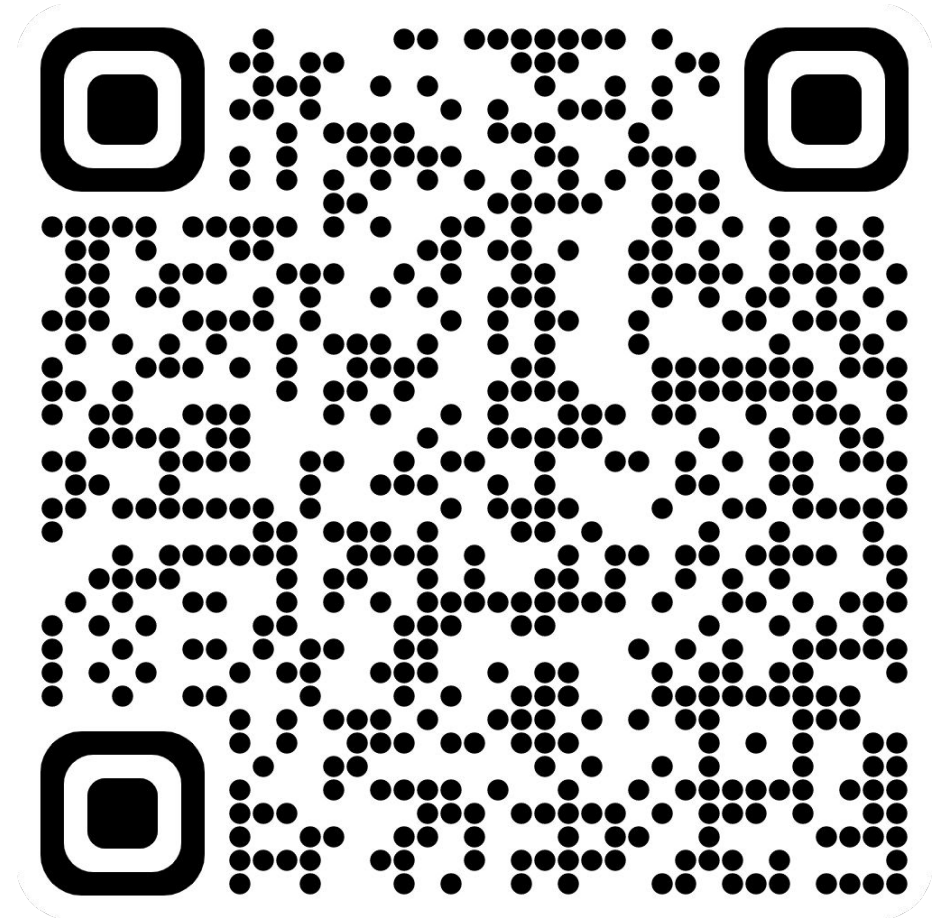




# **NGO Governance Health Programme**

**Practice Tools & Tips:  
Guiding Board Decision Making & Board Capacity Building**

Please scan following QR code for quick user's guide video





**Guiding board  
decision making  
&  
board member  
behavior**



# **Users' Brief**

# What is the board/ governance dynamics?

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- Board dynamics are rooted in the organizational culture, which are the behaviors of humans who are part of the organization and the meanings that the people attach to their actions.
- Organizational culture includes the organization values, visions, norms, working language, systems, symbols, beliefs and habits.
- Organizational **culture affects the way people and groups interact** with each other, with clients, and with stakeholders.

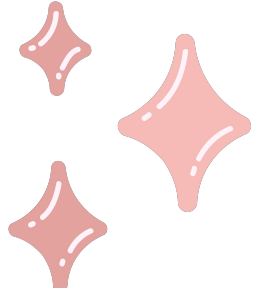
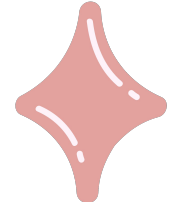





Cross reference to the **GAME Governance Tool – Nurturing a Purpose-Driven Board Culture**

# Fostering positive board dynamics to enhance good governance and induce contributive & constructive behaviors of board members

1. Setting up of **clear governance structure**. ( AA only gives a very board framework )
2. From how to nominate, who do the selection, who & how to orientate new members, length of term, to how often the board meets, term of reference of the board and sub-committee ( if necessary ), tools & mechanism to measure board effectiveness etc. All these infra-structures have to be in place before effective decision making could more likely to happen.
3. The Chairman and hopefully, the Hon. Secretary & the CEO must be well aware of these basic structures, policy and procedure of the board and the board meeting.( Or you may hire company secretary service to help )

# Fostering positive board dynamics to enhance good governance and induce contributive & constructive behaviors of board members

4. The **chairperson is the key person to influence the effectiveness of the board and its decision making**. He must be a person with heart, capability, moral standing and capable of commanding respect.
5. To create a positive board dynamics is the ultimate solution to the many issues faced by the board, including the decision-making process.



# Tool Box

LET'S WORK TOGETHER





# Box 1

LET'S WORK TOGETHER

# Effective decision-making structure and process

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Carefully defined issues/problems ( Clearly define **what are symptoms, presenting problems and what are the root causes of the matter**. And be clear what to tackle )

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**Collect data** ( relevant, comprehensive but adequate will be fine. It is a sin to flood the board members with irrelevant data which wastes their time and divert their attention away from the core issue. )

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Identify **alternatives or multiple options** ( work hard to exhaust different scenarios. No pain no gain )

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**Pros and cons of each option** in both short and long term, implication and impact to different stakeholders. Few decision is good for all parties.

# Effective decision-making structure and process

- Prudent process following the decision making rules ( Follow the playbook. Everybody follows the rule of the game )
- **Fact driven process** ( “largely” scientific, rational, based on fact, least speculation or not wishful thinking )
- Disinterested ( no conflict of interest or vested interest )
- **Action after decision is made**
- Evaluate



# Box 2

LET'S WORK TOGETHER

# 15 common pitfalls in board decision making

No.	Pitfall	Description	Choice
1	Indecisive	He or she speaks, but no stance or decision	
2	Dragging	Keep asking for further information – meeting goes on and on.	
3	Improper influence	Some members just act on their own way (just instruct the CEO or staff to act what they like – very risky & toxic manner.)	
4	Under the table	Behind the door or under table decision by some “influential members” (Lobbying? Good or bad?)	
5	Chairman dominance	Chairperson says yes, no one says no.	
6	Avoidance of argument	The first person says yes, no second person say no. (or vice versa)	
7	Unprepared & uninvolved.	People did not study paper, no views, silence. (Not performing duties)	
8	Self-interested	Decision to put forward one’s own self interest	
9	Indifference & not serious.	Indifference, impatience... People don’t care and motion passed without serious discussion. (Push the chair to finish the meeting, or they prefer social gathering more than business)	
10	Antagonistic subgroups	Subgroup dynamics dictate decision making. (Personal liking influences decision making. ( Disband or group resignation of the board member)	
11	Squeaky wheel syndrome	Vocal, experienced, high social status members to dominate the decision. (Who pays who says. Squeaky wheel syndrome- who speak more get what they want)	
12	Lazarre faire & rubber stamp	Too friendly with, too much trust on the CEO and laissez-faire attitude. A rubber stamp? (Vulnerable if you have a long serving CEO)	
13	Shallow discussion	In a hurry, no discussion on implication and consequence ( E.g. staff benefit )	
14	Uninformed	Board members not familiar with the subject matter – no info, not knowledgeable, etc.	
15	Avoidance & pending of sensitive issue	No sensitive issues to be put forward for discussion. (don’t want to ruin the relationship)	
16	Other	Please describe.	

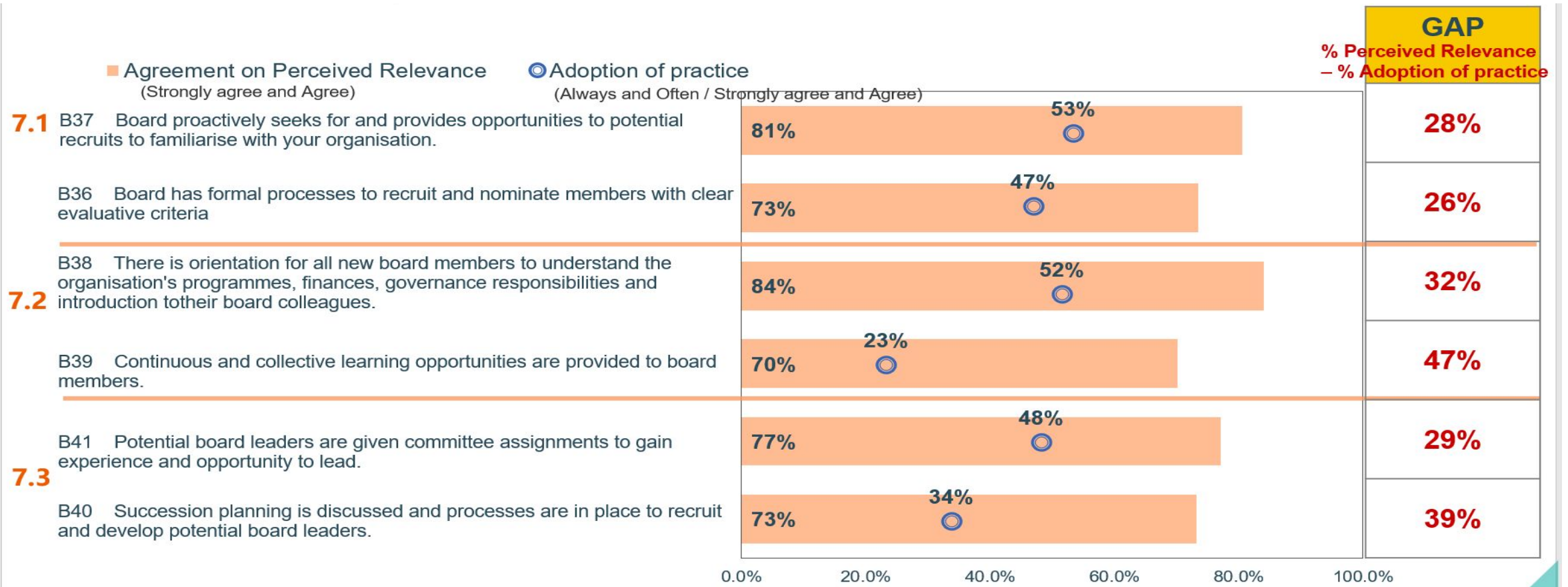


# **Board Capacity Building**



# **Users' Brief**

**Learning from 2021 NGO Governance Health Study - Board Development scored the lowest (3.35 out of 5 point scale) among the 9 aspects of Governance health, with almost 1/3 (32%) surveyed NGOs seldom/never had any continuous and collective learning experiences for board members.**





- The goal of board capacity building is to enhance governance leadership to steer and oversee the delivery of the organization mission and social impact, advise and make decisions to guide management operation.
- A Four-Steps Approach for Board Capacity Building provides a framework for planning and organizing learning activities for board development. It starts with.....

**01**

**Orientation planning for new board recruits**

**Ways of involving and learning the roles & responsibilities of board through engaging in various types of board work**

**02**

**03**

**Suggests the scope of on-going board education, and the need for self reflection and evaluation**

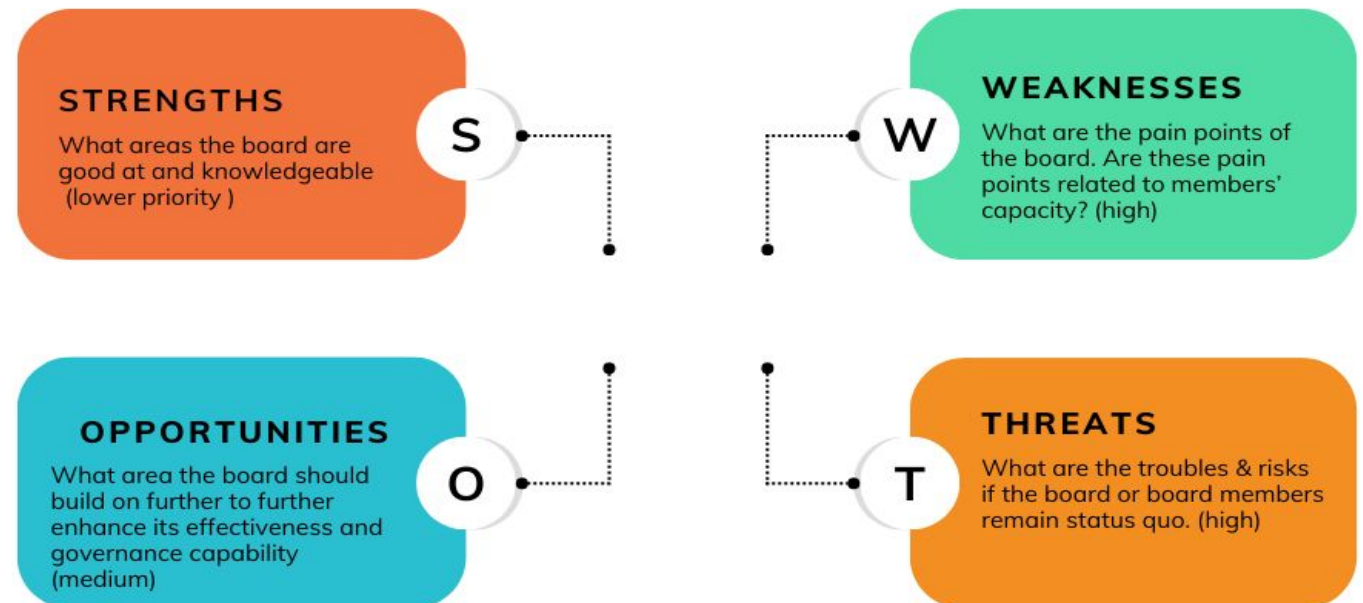
**To strive for continuous improvement**

**04**

# Four Steps Approach to Board Capacity Building

## Barriers & Action Tips

- To help promote the board's continuous growth and improvement, take time to reflect on the board's performance and that of individual members. Members may feel uneasy about individual performance review. Try to emphasize that it is just a format for self reflection and discuss with the Chair/ CEO on expectations.
- Review the SWOT analysis of the board ( could be done during a retreat or a workshop led by a consultant ) & priority setting in capacity building.





# Box 1

LET'S WORK TOGETHER

## Board Orientation Chart

The following is an overview of the information that needs to be conveyed to new board members at their orientation. The materials can be presented in person and in writing at an orientation meeting.

Information	Issues	Presentation Options
<b>About the organization</b>		
<b>Program</b>	Offer new board members a feel for the work of the organization – what it does, whom it serves, what difference it makes – to get them emotionally and intellectually connected and motivated.	<ul style="list-style-type: none"> <li><input type="checkbox"/> Tour of facilities</li> <li><input type="checkbox"/> Observation of/participation in program activities</li> <li><input type="checkbox"/> Presentation by client, member, or program participant</li> <li><input type="checkbox"/> Video, slides, film presentation</li> <li><input type="checkbox"/> Verbal presentation</li> <li><input type="checkbox"/> Written materials</li> </ul>
<b>Finances</b>	Help new board members become informed about where money comes from, how it is spent, and the state of the organization’s financial health, including their role in fund-raising.	<ul style="list-style-type: none"> <li><input type="checkbox"/> Presentation by chief executive, chief financial officer, or treasurer</li> <li><input type="checkbox"/> Background materials (most recent audit, budget, financials), graphically presented, if possible</li> <li><input type="checkbox"/> Presentation of the fund-raising strategy</li> </ul>
<b>History</b>	Provide sufficient knowledge about the past so that the present makes sense. Also, help new board members see their own participation as part of the organization’s ongoing story.	<ul style="list-style-type: none"> <li><input type="checkbox"/> Stories told by “old timers”</li> <li><input type="checkbox"/> Pictures</li> <li><input type="checkbox"/> Written materials</li> </ul>
<b>Strategic Direction</b>	Present a framework for new members to participate effectively. Clarify the mission, vision, organizational values, and goals that inform organizational actions.	<ul style="list-style-type: none"> <li><input type="checkbox"/> Presentation/discussion by the chief executive or board chair</li> <li><input type="checkbox"/> Copy of strategic plan (or other documents, especially mission statement, if no plan is available)</li> </ul>
<b>Organizational Structure</b>	Help new board members understand who does what and lines of accountability	<ul style="list-style-type: none"> <li><input type="checkbox"/> Copy of the bylaws, IRS determination letter</li> <li><input type="checkbox"/> Organizational chart</li> <li><input type="checkbox"/> Introductions to key staff members</li> </ul>

Information	Issues	Presentation Options
<b>About the Board</b>		
<b>Board Roles</b>	Ensure that new members understand the roles of the board	<input type="checkbox"/> Presentation / discussion, preferably with the whole board involved <input type="checkbox"/> Written materials
<b>Board Member Responsibilities</b>	Ensure that new board members understand their own responsibilities as board members	<input type="checkbox"/> Presentation / discussion <input type="checkbox"/> Signed agreement (job description), including conflict of interest and ethics statements.
<b>Board Operations</b>	Help new board members understand how the board operates so that they may participate effectively.	<input type="checkbox"/> Board manual <input type="checkbox"/> Board mentors <input type="checkbox"/> Committee charges and members lists <input type="checkbox"/> Meeting schedule
<b>Board Members</b>	Facilitate new board member integration with the other members.	<input type="checkbox"/> List of board members and biographic data <input type="checkbox"/> Time set aside for social interaction
<b>Skills</b>	How to read financial statement	<input type="checkbox"/> Written materials <input type="checkbox"/> Presentation by the treasurer of finance committee



# Box 2

LET'S WORK TOGETHER

# What Goes Into a Board Manual?

## 1. Board policies

- Accreditation documents (if applicable)
- Anti-harassment
- Conflict of interest
- Confidentiality
- Document retention and destruction
- Insurance coverage
- Legal liability
- Reserves
- Social media
- Travel and meeting expense reimbursement
- Whistleblower
- Others that apply to your board

## 2. Staff

- The chief executive's job description
- Staff list, including at least senior staff and those with whom the board might interact
- Organization chart

## 3. Resource development

- Board fundraising goal for the current year
- Case statement
- Current funder list
- Sample grant proposal
- Sponsorship policy
- Planned giving program

## 4. Other information

- Annual board calendar
- Minutes from the last three board meetings
- List of common acronyms and terms (with explanations)
- Current brochures
- Website and social media information



# Box 3

LET'S WORK TOGETHER



# How to overcome reluctance

Excuses	Response Tips
1. I sit on so many boards, do I still need to learn?	1. Before inviting him, state the expectation. Apart from learning, they could contribute. Chart the time they join training & being assessed annually.
2. I'm super busy.	2. Learning is also a team building activity. Incorporated into the meeting. Pre-scheduled.
3. You're lucky to have me already. I only attend meetings, don't expect more.	3. Don't get arrogant people into your board. They stop learning and improve. If they could bring in big money or network, first invite them to sub-com
4. I'm the expert of certain area. Don't expect me be all rounded	4. Persuade them they could learn and contribute in other areas other than their expertise. Board members make all types of decision.
5. Hey, I'm just one of the many. No need to be that serious. Let the chairperson or other members to do the job.	5. Giving them responsibility to shoulder up some tasks. Hinting that he is important and being most relied on.

## Excuses

## Response Tips

6. The training is boring, irrelevant, ( not meeting expectation, repeating )

6. Board members are smart and competent persons. Give them the good training by quality trainer.

7. We are too small and our operation is simple. Those theories and knowledge mainly apply to large scale operation.

7. Small doesn't mean simple, knowledge and theories could be applicable to both small and big operation. Because we are small, every member is important and must be very competent.

8. We don't quite know what area we need to learn or improve.

8. Do the board self-evaluation or individual evaluation. Or do the SWOT to see your needy areas.

9. We're not ambitious and we're happy with the status quo. Learn what?

9. Learn to lead your business to a higher level of performance. You are happy with the status quo now, but may not be happy later.

10. We spend much time in helping the operation already ( in particular small NGOs ). Couldn't afford more in learning.

10. You could use lesser time in operation if you devote more time in learning.



# Box 4

LET'S WORK TOGETHER

## Individual Board Member Self – Evaluation

Use the following questions for individual board member evaluation. Board members answering yes to these questions are likely to be fulfilling their responsibilities as board members.

		Yes	No	Not Sure
1.	Do I understand and support the mission of the organization?			
2.	Am I knowledgeable about the organization’s programs and services?			
3.	Do I follow trends and important developments related to this organization?			
4.	Do I assist with fund-raising and / or give a significant annual gift to the organization?			
5.	Do I read and understand the organization’s financial statements?			
6.	Do I have a good working relationship with the chief executive?			
7.	Do I recommend individuals for service to this board?			
8.	Do I prepare for and participate in board meetings and committee meetings?			
9.	Do I act as a good-will ambassador to the organization?			
10.	Do I find serving on the board to be a satisfying and rewarding experience?			

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