

**Ready to Serve:
Organizational Understanding
and the Board's Role**

Feb. 2, 2010



Presentation Focus:

- Board's role in defining Mission, Vision and Core Values
- Board's role in planning and evaluation
- The Board-ED relationship
- Board effectiveness

**BoardSource's
10 Basic Responsibilities**

- #1 Determine the organization's Mission and purpose.
- #4 Ensure effective organizational planning (determine Vision).
- #5 Determine, monitor and strengthen the organization's programs and services.
- #3 Support the chief executive and assess his/her performance.

Board Responsibility #1: Define Organization's Mission

- Define
- Reaffirm
- Revise



The Importance of Mission



Everything begins
with the mission

--BoardSource

What is a Mission Statement?

- Purpose
- What we do
- For whom
- How
- Unique competencies



Quiz: Why is a Mission Statement so important?

- a) Explains why the organization exists
- b) Explains how the organization meets community need
- c) Inspires board and staff
- d) Attracts people to the cause
- e) Provides a decision-making tool
- f) All of the above



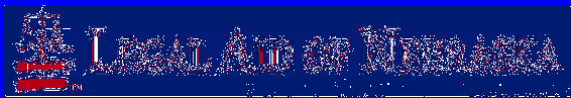
Ollie Webb Center, Inc. Mission:

to enrich the lives of individuals with developmental disabilities and their families through support, programs, and advocacy



Legal Aid Nebraska Mission:

to promote Justice, Dignity, Hope and Self-sufficiency through quality civil legal aid for those who have nowhere else to turn



Revising Mission: Case Study

- President Franklin D. Roosevelt founded the **March of Dimes** in 1938 to **save America's youth from polio**. His premise was that people can solve any problem if they work together. Roosevelt created a partnership of volunteers and researchers. And, within 17 years, the **Salk vaccine** had been developed and the **eradication of polio** in the United States was on the horizon.

Revising a Mission Statement:



March of Dimes Mission
To improve the health of babies by **preventing birth defects, premature birth, and infant mortality**. We carry out this mission through research, community services, education and advocacy to save babies' lives.

Bringing Mission into the Board room:



- To inspire board and staff
- To guide policy and decision making

Taking Mission into the Community

- Ambassadorship
- Marketing
- Fund raising



Connecting Mission and Core Values

Values are at the heart of the Mission



What are Core Values?

Principles that guide an organization



Facts about Core Values:

- Don't "install"
- Not influenced by outside factors



Quiz: Core Values

Respect, Integrity, Communication, Excellence

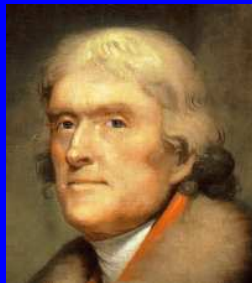
These were created by which organization(s)?

- MD Anderson Cancer Center
- Park City Government (Park City, UT)
- Western New Mexico University
- Enron
- All of the above



Core Values Don't Change

"If your values can be downsized, they're not core values.
Thomas Jefferson didn't say, "Whenever it's convenient, give me life, liberty, and the pursuit of happiness."



—Mike Moser

Core Values in Action

- Will we accept donations from everyone?
- What kind of employee benefits package should we offer?
- When a board member is betraying confidences, what should we do?

 <p>Mission Sacred Heart Rehabilitation Center is dedicated to assisting all people with behavioral health issues, including those with limited means, to improve their quality of life.</p>	 <p>Vision Sacred Heart Rehabilitation Center will provide the best outcome driven, evidence based, cost effective behavioral health care in North America.</p>
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Values

Integrity: We adhere to the highest standards of ethical and professional conduct.

Accountability: We accept and uphold our full responsibility to our clients, community, staff, and organization.

Customer Services: We will relentlessly focus on identifying and servicing the needs of our customers.

Diversity: We will honor, nurture, and respond to the difference inherent in a multicultural society.



Board Responsibility#4: Plan

- Past
- Impact
- Future (Vision)
- Road Map
- Accountabilities
- Resources



**How do boards
plan for the future?**



**What role are we asking
boards to play?**

- To think about or plan the future with imagination or wisdom
- To paint an inspiring picture of what an organization can become



**Creating a Nonprofit's
Vision Statement:**

- Who does it?
- How do they do it?



What is a Vision Statement?

an image or description of the organization we aspire to become in the future

It answers the question:

If we could create the organization of our dreams, and have the community impact we most desire, what would it look like?

Mission vs. Vision

Mission:
Something to be accomplished

Mission vs. Vision

Vision:
Something to be pursued

Vision Statement Qualities:

- Describes where we want to go;
- Serves as a **motivating force**;
- Is perceived as something we can **achieve**; and
- Forces us to **stretch** beyond comfort zone.

Mission and Vision help you ...

- Define the **"business of the organization"** so all of its energy can be directed toward results.
- Define **funding sources** compatible with the mission.
- Allocate **resources** to achieve desired results.

Mission and Vision help you ...

- Identify **skills** needed from board and staff.
- Make decisions about which **programs and projects** to undertake and which to avoid.
- Create a **strategic plan** that works.

For-profit vs. nonprofit Visions:

- Focuses on what the for-profit wants to create for the organization (itself).
- Focuses on the organization's self perpetuation.
- Focuses on what the nonprofit wants to create for the community it wishes to impact
- If Vision achieved, need for the nonprofit might go away.

Target Approach: Wal-Mart



Become a \$125 billion company by the year 2000 (1990)

Target: Coca Cola Corporation

A Coke within the arms of everyone in the world



Common Enemy: Nike



Crush Adidas

(1960)

Role Model: Stanford University



Become the Harvard of the West

(1940)

Internal Transformation: GE Co.



Become number one or
number two in every
market we serve
(1980)

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Toastmasters International

To empower
people to achieve
their full
potential and
realize their
dreams



Partnership 4 Animals

A world-class center for scientific and social advances in companion animal health and welfare that contributes to the well being of society



Live United

We will build a stronger America by mobilizing our communities to improve peoples lives.



A Case Study in developing Nonprofit Vision

Indian Chicano Health Center

Eight years ago

ICHC Mission Statement:

Indian Chicano Health Center, in partnership with the community, provides culturally respectful, quality health care, with special attention to the under-served.

Historical Milestones ...

- Began as volunteer, walk-in clinic (1970)
- First received United Way funding (1974)
- First full-time ED (1995)
- Capital Campaign; move to 36 and Q, 15 staff (1999)
- FQHC designation – federal operating grant (2001)
- Joint Commission accreditation (2002)

The 2002 SWOT Analysis:

Strengths	Weaknesses
<ul style="list-style-type: none">• Needed services• Cultural competence• Reduced dependence on United Way• Developing board• Transition to data-driven outcomes	<ul style="list-style-type: none">• Space constraints• Tech Infrastructure• Billing System• Lack of public awareness• Limited donor base• Balancing partners' interests

2002 SWOT Analysis, continued:

Opportunities

- Expanded services
- Additional populations
- Strategic Alliances
- Public Awareness
- Fund raising
- Bigger and better facilities

Threats

- Status Quo
- Stagnation
- Missed opportunities to increase impact

Creating the Vision for 2012:

- Analyzed SWOT
- Reviewed forces and trends
- Reviewed and learned from organization's history
- Obtained stakeholders' perspectives
- Reaffirmed Mission
- Created a Vision for the future

Board-Staff Vision Exercise

September 2002

Vision Questions:

- 2012: ICHC's Unique Contribution ...
- Seen in the community as ...
- What others will say about us ...
- What clients will say about us ...
- Greatest Growth Opportunities ...
- Key to ICHC's Future
- In 2012, I'll be excited if ...

Board-Staff Vision Key Words:

• Patients	• Patients
• immigrants	• new populations
• all	• everyone
• high-quality health care	• high-quality health care
• respectful	• respectful
• Mission driven	• Mission driven
• leader	• the best

2002 Vision Statement:

The best
health care
for all
who need us



Proposed Clinic Name Change:

One World
Community Health Centers

Putting it Together:

- One World
Community
Health Centers
- The best health
care for all who
need us



Vision and Name
describe future direction, dreams

- | | |
|---|---|
| <ul style="list-style-type: none">• describes where we come from• recognizes our immigrant history | <ul style="list-style-type: none">• describes where we're going• recognizes our changing client population• describes our desired impact on the community |
|---|---|

One World 8 Years Later ...

- Move to Livestock Exchange Building
- 66,000 patient visits annually
- First satellite clinic (Plattsmouth)
- Expanded services (dental clinic, mobile dental van, mental health, specialty clinics)



One World 8 years later ...

- Electronic health record system
- Expanded donor base
- Nonprofit Organization of the Year (2008 GOCC)
- "Outstanding" patient and clinical outcomes



Client Profile ...

- At least 17 different languages
- Representing 37 countries
- 60 percent female; 40 percent male
- 70 percent: infant to 34 years old
- Majority live at/below federal poverty level



Mission



Vision

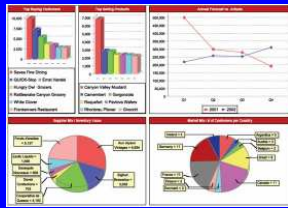


Strategic Plan



Board Responsibility #5: Monitor and Evaluate

How do we know if we're
achieving our goals?



Sample Dashboard Indicators

Program

New clients

Target = 360 per year.

Current status: 205

Finance

Net surplus or deficit
compared to budget.

Target: within \$25,000.

Current status: \$28,000



**Board Responsibility #3:
Support the ED**

- Hire
- Support
- Evaluate

Board – ED Interdependence:

- Shared understanding of Mission, Vision and Core Values
- Clear roles and responsibilities
- Trust and transparency



Clear Roles and Responsibilities:

- | | |
|---|--|
| <u>Board:</u> | <u>Executive Director:</u> |
| <ul style="list-style-type: none">• Oversight• Policy• Monitoring and Evaluating• Resources• Planning | <ul style="list-style-type: none">• Lead and develop staff• Manage daily operations• Monitor quality• Provide financial stewardship• Provide external relations/advocacy• Support Board |

Board Chair – ED Relationship

- Chief volunteer officer
- Liaison
- Leads board meetings
- Board development
- ED evaluation
- Speaks for board
- Chief staff officer
- Liaison
- Assists with meetings
- Staff development
- Staff evaluation
- Speaks for organization

Building the Board:

- Identify size and composition
- Cultivate and recruit
- Orient
- Train and Develop
- Assess



Before joining board, ask about:

- Mission, Vision, Core Values
- NP's impact, strategic priorities, \$ position
- Board size, composition
- Board meeting focus
- Board roles and responsibilities
- Other expectations (personal giving)
- Time commitment, meeting dates

Before joining board, do this:

- Talk to ED and other board members
- Read Bylaws, Strategic Plan, web site
- Read board member's job description
- Attend the organization's events
- Serve on a board committee or task force (ad hoc)

Summary: Nonprofit Boards need minds, hearts and hands

- Set policy
- Ensure Mission is fulfilled
- Determine strategic direction (Vision)
- Monitor and evaluate
- Support the ED
- Secure resources
- Promote the NP to the community

Nonprofit Boards Need Leaders

- Effective leadership is the strongest predictor of nonprofit sustainability, followed by fundraising/financial management, program staffing and management.

-- 2009 TCC study of 700 nonprofits
Cited in Philanthropy News Digest

Good luck on your board journey



To request today's presentation:

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Why Vision?

What forces and trends will – or likely will – affect nonprofits in 2010 and beyond?



Some predictions for 2010 ...

- High levels of the available funding will be directed toward **general operations**, in a continuation of the philanthropic sector's response to the recession.

Some predictions for 2010 ...

- Nonprofits that normally compete for funding and constituents will get practical; will partner on **long-term collaborations**;
- An up tick in **outsourcing**, or at least the initial steps of **combining back office efforts**; and
- Growth in **merger talks**.

Some predictions for 2010 ...

- More **strategic partnerships** between for profits and nonprofits.
- Continuing **loss of executive** and managerial talent – as Baby Boomers retire.

Some predictions for 2010 ...

- Use of effective **social media** strategies will help more people become engaged with nonprofits;
- **Volunteer bases** will include more people (under 35); and
- **E-giving** will increase.

Some predictions for 2010 ...

- **Boards** will become more responsible, knowledgeable and involved in the organizations that do succeed.

Some predictions for 2010 ...

- The nonprofits that succeed are the ones who understand their clients' needs and allocate their budgets to **doing one thing really well** rather than trying to be all things to all people.

To request today's presentation:

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