

What Kind of Board Are You?

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Non-profit organizations, government agencies and many businesses operate with boards of directors or trustees.¹ Different terms are often used to describe or capture the basic work or function of such boards.² They may be accurately used or not. In the non-profit context certainly, volunteer boards are often faced with defining or redefining their role and it can change over time. Clarity in terms of board types can be helpful.

Advisory Board

An advisory board is a body that exists primarily to provide advice or counsel to an organization or to study a situation and make recommendations for action. Typically advisory board members have no legal responsibilities, are usually appointed rather than elected, and sometimes serve at the pleasure of a higher authority. Advisory boards may seek to give direction to staff of the legal constituted body but typically have no formal authority over them.

Occasionally one sees non-profit organizations with governing boards that meet regularly and advisory boards or councils that meet less often.

Governing Board

A governing board is a group of people who are legally accountable for providing the leadership and oversight of an incorporated organization.

The founding members usually make up the first board of directors. A governing board is usually elected at the organization's annual general meeting from a larger group of members or stakeholders. In some cases though, the directors are the only legal members. The board's officers typically include a chair, vice chair, a treasurer and a secretary.

The term governing board usually refers to organizations that employ staff, including an executive director or CEO who reports to it.

A governing board strives to balance its attention between the future direction of the organization and its mission impacts, with oversight of day-to-day operations.

The term governing board is synonymous with a policy or policy-making board as described below.

Policy (Making) Board

This is probably the term that most non-profit boards of directors would use to describe themselves. The basic notion here is that the boards of directors govern by setting “policies” that describe the principles that guide how the organization operates.³ The organization’s incorporating bylaws are, in effect, policies that apply to the board.

A policy-making board, as already noted, is the same as a governing board although the work of governing is regarded as broader in scope than merely developing policies. Strategic planning is often cited.

Frequently the notion is that the board sets policy and staff members implement it. Some policies apply to the functioning of the board itself, others to more detailed operational matters the details of which can benefit greatly from staff expertise. Therefore it is not unusual for staff to craft operational policies even if the board ultimately approves them.

A key issue for policy boards in terms of their oversight role is how deep or detailed do they need to be in specifying how they want the organization to function operationally? Usually the executive director or CEO has responsibility for day-to-day decisions.

Policy Governance Board

The term Policy GovernanceSM refers to the specific model of board governance developed by U.S. author and consultant John Carver.⁴ This model provides a template for governance that focuses the board’s attention on organizational outcomes (ends policies), external relationships (policies that clarify the board’s linkage with members or owners) and how the work is to be done (means policies). Board oversight of staff activity is accomplished solely through the determination and monitoring of “executive limitations” (a specific kind of policy).⁵

The term “policy governance”, because it uses the terms “policy” and “governance”, is sometimes used to refer to any board attempting to govern by setting policy. To avoid confusion it may be important not to describe one’s board as a “policy governance” board if this model has not been formally adopted.

Management Board

The term “management board” is often used to describe a body charged with running an organization or implementing a plan. Management boards are frequently set up to oversee

the protection of a species of wildlife or a natural resource. In cases like these, legislation often provides clear direction on the nature of the work required.

Non-profits that lose their executive director might well appoint a management board, which includes members of their governing board, to operate the organization for an interim period. In effect a management board is a board that operates at a lower tier level than a governing board.

Working Board

People use this term when describing boards of directors that are involved in setting the direction for and the day-to-day running of their organizations. Another term that could be used is a “hands on” board. There is really no “accepted” definition; all boards do work.

Organizations that do not employ staff are generally considered “working boards.” The directors not only provide high-level leadership but also often are the “hands and legs” of the organization. A local community trails group for example, likely has a small volunteer board that, along with its other members, spends much of their time outdoors building and maintaining a network of trails.

Hybrid Board

It is popular to say that one’s board operates with a hybrid model, that is, it employs a mixture of practices that uniquely suited to their organization. It sometimes refers to a board that does not want to strictly follow the very prescriptive requirements of the “Policy Governance” or “Carver Model”.

Governing groups that think of themselves as “hybrids” still need to understand their role overseeing their organization and be able to articulate their core governing practices.

¹ In the non-profit world the terms “directors”, “trustees” are sometimes used interchangeably. They probably should not be as in some jurisdictions the words have particular legal connotations. The term “board of directors”

² The question of types of boards is really a question of function not structure. The two concepts often get in the way of each other.

³ The following would constitute some of the policies that a non-profit organization might have in place: by-laws, mission statement, board chair role description, executive director job description, conflict of interest, board code of conduct, fundraising policy, human resource management policy, and a financial management policy.

⁴ The term Policy Governance enjoys the “service mark” (SM) of John Carver, which is akin to a trademark. See John Carver Boards That Make A Difference: A New Design for Leadership in Nonprofit and Public Organizations, Third Edition, San Francisco: Jossey Bass/Wiley Publishers, 2006

⁵ Carver’s notion that “boards only have one employee, the executive director; the executive director has all the rest” is pretty widely embraced, conceptually anyway, in the non-profit sector.