

May 2020
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Governance During a Pandemic

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The executive committee met in secret, without the full board and disinviting the executive director. "I suggest we layoff all the staff immediately except for our executive," was the motion.

A few weeks earlier this board discussed a plan. Everybody agreed that with sizable reserves they would wait to assess the situation in June.

At a different association, the executive director offered a plan to furlough some staff. The board of directors met and offered, "No, the staff team is too valuable." They decided to keep all staff, making best use of their savings reserve.

Roles and Responsibilities

The pandemic and economic recovery pose challenges for boards of directors. Good governance remains essential.

State corporate law authorizes the board to make governance decisions on behalf of stakeholders. Trustee roles are described in the governing documents

Most boards understand their responsibilities to approve budget, protect resources, set policies and positions, and to advance a mission and strategic plan.

The exuberant executive committee firing staff without consultation with the full board and their executive, is problematic. Even in a crisis there is no reason for poor governance.

If staffing issues arise, it is likely a personnel committee will be appointed to study and make recommendations to the board of directors, with the counsel of a HR specialist or a lawyer.

Missing in Action

Another effect of the pandemic is a board that is MIA or AWOL. Understandably some volunteer leaders are focused on the survival of their businesses or jobs.

In their minds they may have abdicated responsibilities to the executive director. But to drive a nonprofit organization it requires balance: governance by a board and management by the staff.

If board members are MIA or preoccupied, consider relaxing some demands so they can continue to serve.

Meeting Frequency – Because of urgency, the board may need to convene more often. Plan shorter meetings to address critical issues. It may be easier to get 20 minutes for a meeting rather than an hour or two. In lengthy remote meetings it is easy to be distracted or drop off the call.

Meeting Agendas - Create board agendas that address only the vital issues. Delay the ordinary reports and updates for a later meeting.

Time Frames – Pause the multi-year strategic plan. For now, the board should focus on immediate initiatives. Return to the strategic plan as appropriate.

Quorum – Bylaws indicate the minimum number of directors needed to conduct business. If circumstances find the board lacking a quorum, do not adjourn the meeting. Document all actions to present recommendations to the full body at the next meeting for affirmation.

Empower – For maximum efficiency, the bylaws should empower the executive committee to address issues when the board cannot meet. Authorize the executive director with full management responsibilities.

Technology – Help the board adjust to technology and small screen meetings. The benefits of reading body language and casual discussions are missing, so urge everyone to turn on video screens; and mute microphones unless called upon.

Rules of Order – For groups that hire a parliamentarian and follow Roberts Rules of Order, they may have to be relaxed. Respect the chair and require motions be made and seconded, but do not let parliamentary procedure slow progress.

Agree on Vision – Set a short-term vision for buy-in by volunteers and staff. It may be, “To sustain the organization and deliver value to our members during the pandemic and economic recovery.” Create a written plan to support the vision.

Members First – Put members first. Volunteer leaders should be willing to listen, empathize, and categorize member challenges. Turn needs into opportunities and offer solutions. Members must see the organization as their indispensable partner.

Committees – Pause standing committees prescribed in the bylaws if they do not have urgency, i.e. bylaws review. Appoint quick action teams, strategic project groups and strike forces to address the challenges.

Foundation – A subsidiary foundation may have reserves dedicated to education and scholarship. Approach the foundation board about expanding its mission to include pandemic and economic recovery. Consider using funds for the support of members with hardships.

Finances – Anticipate adjustments to revenue. Sponsors may not be available, events postponed and membership recruitment on the back burner. The treasurer and finance committee should prepare a contingency budget. Project income and expenses through December 2020.

Reserves – Organizations usually keep a savings equal to at least half of the annual budget. The rationale is for survival for six months if a crisis occurs. Some boards call it their “rainy day fund.” Maximize best use of reserves and assets.

Deadlines – Circumstances may cause missed deadlines. The election process may have passed or the annual meeting postponed. Document the reasons and find other ways to conduct business. Current board members may be asked to extend their terms until an election can be held. Urge past leaders to serve in open seats or supplement board work.

Collaborate – The organization is not in this alone. Collaborate with organizations having similar interests. Maintain open channels of communication to exchange ideas, needs and solutions.

Purposeful Abandonment – Organizations amass a host of activities and events. Now may be the time to analyze activities to check their alignment with mission, return on investment, and the drain on resources.

Circumstances necessitate the board perform as the leadership team. Now is not the time for micromanagement, distrust or board absence.

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Note: Bob Harris, CAE, provides free governance tips and templates at www.nonprofitcenter.com.