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Enhancing attrition or thank and release

## **Firing Lousy Board Members**

**Why do it? Who does it? And how can you avoid it?**

Yes, your organization should fire non-performing board members.

Of course, that means you must define good and bad performance. You must articulate standards and communicate them. You conduct screening interviews before nominating them. You monitor and evaluate performance. You need ways to fire them that don't cause pain – to them or your organization. You need the guts to do this. And, by the way, who is the “you” anyway?

Are you overwhelmed yet? Thinking maybe it's easier to just keep them?

No! Stop that kind of thinking right now. Just stop it!

Let's start at the beginning.

First, serving on a board is serious business. The board is accountable for ensuring the health and effectiveness (mission, fiduciary, etc.) of the corporation. That's what corporate governance means.

Serving on a board is not about having fun and hanging out with cool people. Serving on a board isn't just about showing your commitment to the cause. Show your commitment by giving money or volunteering to do some other kind of work.

Serving on a board is hard work that requires business acumen, strategic thinking, and the willingness to challenge staff and fellow board members. Serving on a board requires advance reading and regular meeting attendance. Serving on a board requires that board members inconvenience themselves to learn new stuff, attend meetings when they'd rather celebrate Valentine's Day or a birthday.

Serving on a board is like being hired for a job. But you aren't paid when serving on a nonprofit board.

Since board service is that important and serious... inadequate performance is a serious offense. Repeated inadequate performance demands termination, just like in any job.

### **Step one**

Your executive director and board members must understand that board service is serious business. This is the first weakness I find. In my experience, the executive director and board members often don't understand the seriousness of governance.

I use two different approaches to help organizations, staff, and board members understand the importance of governance.

- Gracious gentle approach: “How about a little health check-up to ensure that your governance is top-notch? Let's assess your governance.”
- Shock and awe approach – often the necessary choice: “Scandals abound in both for profit and nonprofit sectors. Many of these scandals are governance failures. Governments are increasingly frustrated. They're new inventing laws and regulations. It's just a matter of time before donors get fed up, too. Some already are. So let's make sure your governance is top-notch.”

Too many executive directors don't know the basic principles of corporate governance. Too many executive directors don't know how to help the board and its members do governance. In fact, too many executive directors see the board as a distraction, a frustrating idiosyncrasy required by government.

These execs don't recognize their leadership role. They complain about board performance, but don't accept their responsibility for effective enabling<sup>1</sup>. Some executive directors disempower their boards, denying governance accountability.

The bottom line: Without accepting the seriousness of governance, you're in trouble. The other bottom line: Without effective enabling by staff, it's difficult for boards to do governance well.

With inadequate staff, you might recruit an experienced governance expert for your board. This individual would be helpful even with good staff enabling. But board service does not mean an individual is a governance expert. I think most boards don't do governance well, including the really sophisticated boards with all those high-powered important people serving. So those board members aren't expert. And perhaps, they aren't even sufficiently adequate.

### **Another first step**

Understand the distinction between the board and the individual board member!

The board is a group. Corporate governance is a collective act. Governance only happens when the board is together, e.g., at its meetings. The board is accountable<sup>2</sup> for very specific things, things like:

- Defining values, mission, vision, and strategic direction.
- Ensuring financial sustainability by adopting a budget and fund development plan, and monitoring performance.
- Hiring, appraising, and firing the chief executive.
- Ensuring legal and regulatory compliance.

The board member<sup>3</sup> is part of the group that is the board. The board member has no individual authority, only the board itself does. The board member has responsibilities to the group, e.g., regularly attending board meetings, giving an annual financial contribution, etc.

### **Step Two: Standards and recruitment**

You wouldn't hire a staff person without explaining the job and performance expectations in advance. The same holds true for recruiting board members. Your board must adopt a board job description and performance expectations common to all board members.

Before adopting these policies – or any others – talk. At a board meeting, explore ideas and concerns. But remember, a body of knowledge documents the role of the board – and it's pretty much the same for any board of any type or size. The same holds true for board member performance expectations.

With shared understanding in place – and policies defined – identify candidates that bring the right attitude, behaviors, and skills to the table. Pay attention to diversity and pluralism – from gender to generation, sexual orientation to socioeconomics, race/ethnicity to networks. Make sure you're recruiting for the skills<sup>4</sup> necessary to fulfill the board's job.

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<sup>1</sup> Enabling is the process of empowering others. Effective enablers clarify roles and relationships, identify and remove barriers, communicate to build learning, provide direction and resources, coach and mentor people to succeed. See *Strategic Fund Development: Building Profitable Relationships That Last*, 3<sup>rd</sup> edition (John Wiley & Sons, 2001) to learn about enabling.

Boards beware! Hire execs who understand governance and can effectively enable the board and its members to do the right work in the right way. If there's a good candidate who doesn't yet know enough about governance, make sure she develops this expertise darn fast!

<sup>2</sup> Visit [www.simonejoyaux.com](http://www.simonejoyaux.com) for sample policies and procedures related to the board and its operations. Click on Resources and visit the Free Download Library.

<sup>3</sup> See board member performance expectations in my Free Download Library at [www.simonejoyaux.com](http://www.simonejoyaux.com). By the way, the last item in my board member performance expectations is "Agree to step down if you do not fulfill these obligations."

<sup>4</sup> See recruitment tools in my Free Download Library, [www.simonejoyaux.com](http://www.simonejoyaux.com).

Your screening interview<sup>5</sup> is as formal and detailed as any job interview. Ask candidates about their experiences and expertise. Clearly communicate the role of the board and performance expectations of the individual board member. Do this well!

### **Step Three: Orient and develop**

Remember that staff enables the board, its committees, and individual board members to do the right work well. Staff does this regularly and forever. Actually, good bosses do the same thing with staff. Enable people to succeed.

For example: Conduct a comprehensive orientation process for newly elected board members. Regularly offer skills development for board members. Always set the context for conversations at board meetings by reminding board members of policies and procedures, systems and processes.

### **Next step: Monitor performance**

You can't evaluate performance without articulating expectations first. You can't fire someone without comparing his performance to clearly articulated expectations. You can't fire someone without providing feedback and the opportunity for improvement first.

The board's governance committee<sup>6</sup> does all this, just about every step described here. The board establishes a committee to provide leadership, in partnership with the executive director. The executive director enables the committee. The committee reports to the board. The board talks about stuff and takes action.

As a board chair, I call board members who are absent. I don't care if the board member RSVP-ed her absence. If she's absent a couple times, I'm calling to touch base. I find out what's happening. I remind her, graciously, of the performance expectations and how much we all value her input and participation.

The executive director, board chair, governance committee talk about board member activities elsewhere in the organization. At some point, if there's sufficient concern about performance, the governance committee takes over.

### **Finally. Feedback time.**

The governance committee speaks formally with the board member about her performance. No staff person does this! The board chair is not in charge of doing this. This is governance committee work.

A member of the governance committee speaks with the non-performer. This is a formal conversation, not a casual mini mention. No firing. No nastiness. But expression of concern about not fulfilling agreed-upon standards. Probe to see what's going on. Clearly state that this is a concern and needs to be fixed.

The governance committee representative is trying to help the non-performer think this through. The non-performing board member has to commit to improving – and improving now. Talk about what that looks like.

Sometimes there might be two formal conversations providing feedback and asking for change. But really, only twice. Then it's time to end this.

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<sup>5</sup> Conduct the interview in a way that allows you not to invite the candidate to serve on the board. You don't promise a paid job to a candidate when you first begin the interview. See the tools in my Free Download Library.

<sup>6</sup> Some organizations call this the Governance Committee; others call it the Board Development Committee. Don't use the term "nominating committee." The scope of work is much broader than just nominating candidates.

**Enhance attrition or thank and release**

Aim to “enhance attrition” first. The goal is to help the board member recognize that he isn’t fulfilling his obligations – and apparently cannot. The goal is to help the board member say, “Well, maybe this isn’t the best time for me to serve on this board even though I really want to.”

Agree with alacrity and say, “It seems best for you to resign at this time, due to personal or professional reasons. It happens you know. It’s okay.” That’s “enhancing attrition.”

If there’s no change, after one formal feedback conversation and the promise to do better... Then it’s probably thank and release time. The organization tried to enhance attrition. But the board member didn’t resign. And then she didn’t improve her performance.

So now it’s time to graciously and kindly say to that non-performing board member: “You need to step down. Please resign because you cannot fulfill what you agreed to do.”

**This sure takes a long time!**

Yes, indeed.

And it isn’t easy.

But it isn’t as hard as organizations (and people) think it is.

It is not acceptable to keep non-performers around. Non-performers de-motivate and frustrate hard workers. Non-performers waste valuable staff and board time.

Your unwillingness to deal with non-performers sends a very bad message to others.

This is serious business. Get it together.

**But...**

I know, you have “buts.” Talk about them. Explore them. That’s part of getting it together.

This is scary and worrisome. What if the person gets mad and badmouths you? Make sure you do this graciously and carefully. And exactly how will they badmouth you? “The organization asked me to resign because I wasn’t performing well.” Hmmm...

You think it’s hard to find board members and don’t want to lose any. Hey! Your organization deserves high-performing board members. Don’t accept less. Yes, there are more candidates out there. Look harder.

**And finally**

This is actually not about firing lousy board members. This is about enhancing attrition. You work hard to avoid thank and release. And you never use the word “fire.”