



SCHOOL
NUTRITION
ASSOCIATION

Strategic Realignment Project

Improving
Decision and Work Systems
July 2013



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Introduction

Tecker International, LLC (TI) is pleased to provide the School Nutrition Association with the following consultative services. The draft plan of work described in this document is intended to provide a general overview of a proposed approach. The details and final work plan will be developed in a project design session proposed as the first necessary step in this comprehensive improvement initiative.

TI applauds the SNA's commitment to improving its' decision and work processes in response to current and anticipated opportunities and challenges. The purpose of organizational remodeling is to structure, process and culture with the association's future direction and participative character.

The SNA's leadership is seeking organizational improvements that better prepare the association for future relevance and success, allowing for confident and nimble decision making and work systems by:

- Improving the SNA's ability to function effectively as a membership organization with a focus on the mission, vision, and goals of the organization.
- Allowing for more efficient and strategic use of its human and financial resources in order to better serve the needs of stakeholders.
- Clarifying the roles of the decision making and work groups to enable each unit to fulfill its defined function.
- Reducing duplication of efforts and increasing the value of diverse perspectives through better collaborative decision making.
- Remediating weaknesses and inefficiencies in current processes for decision-making, oversight, development, implementation and accountability
- Enhancing and sustaining a culture of trust and confidence within the leadership partnership.
- Implement systems and processes designed to promote openness and transparency to encourage understanding, support and active engagement among its stakeholders
- Implement a remodeling initiative timed to enhance the SNA's ability to shape the conditions and future of the profession and issues arena to which it is committed...

In projects of this nature, TI consultants typically function in three distinct roles – **as facilitators**, to ensure meaningful output of work products from each step; **as designers**, to provide a common framework of concepts upon which to base analysis; and **as consultants**, sharing the knowledge and experiences gained through working with a wide variety of organizations in many different professions and industries.

Firm Background and Credentials

Tecker International, LLC is a leading multi-national consulting firm specializing in assisting organizations in strategic positioning, governance reengineering, connecting vision to operational planning and infrastructure and, ultimately, enhancing the future success for our clients. TI is known for re-blending and adapting tools with demonstrated effectiveness to meet the unique needs of each client organization. TI has provided consulting services in the areas of research implementation and analysis, strategy development, governance assessment, leadership development, and infrastructure realignment to over 2,000 organizations and is celebrating 30 years of successful consulting. Our current and future clients benefit from the tools, techniques, and expertise we have collectively acquired through the combined experience of TI consultants and associates over many years of service to institutions, organizations, and corporations in the public, private and nonprofit sectors..

TI is client-focused, multi-disciplinary, and offers a team of researchers, consultants, facilitators, and coaches to help you develop strategies for solving complex organizational and governance challenges and for taking advantage of market opportunities in today's environment of rapid change. While best known for work with not-for-profit trade, professional and credentialing organizations, we also partner with leadership in education, healthcare and public institutions, as well as international agencies and for-profit corporations.

By selecting Tecker International for projects or ongoing consultation, you tap into a collective knowledge base gained from hands-on-experience with thousands of organizations. We share our knowledge, resources, tools and personal observations freely, employing a friendly, collaborative approach to help you conquer your organizational challenges—without unnecessary expenditures of time, money and staff resources.

The collective competencies of Tecker International enable us to provide the talents, skills and expertise needed to achieve each project's unique objectives. Working in partnership, consultant and client identify desired results, roles, responsibilities, and costs.

Our approach to governance assessment has helped many organizations similar to reposition their work and decision systems for increased effectiveness in the future while preserving the participatory nature of an informed democratic institution like professional credentialing organizations.

We firmly believe that stakeholder engagement in the organization continues to be a fundamental component of successful organizations; however, we know that *how* stakeholder representatives choose to engage and *what* they desire to engage in has dramatic effect on the success of the enterprise.

Our approach includes:

- Dialogue and inclusion of impacted stakeholder groups creating greater ultimate buy-in and support for the outcomes.

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- The creation of a knowledge-base for decision-making and work systems based on internal and external primary and secondary data.
- The development of understanding and commitment to effective practices by refining their implementation with their users
- Blending design, education, facilitation, coaching and good counsel to assist in ensuring initial buy-in. longer term acceptance and commitment to sustain improvements over time.

TI Consultants for the Project

Glenn Tecker,

Lead consultant for the project will be Glenn Tecker, Chairman and Co-CEO of Tecker International LLC, a multi-national consulting practice that has completed projects for over 2000 groups in 49 states, Europe, Canada, Asia, Mexico, and Central America.

Consulting Accomplishments

- Redesigning the governance, operations, and cultures of public, for profit and not for profit organizations to better fit today's demanding high speed, rapidly shifting environments including: trade and professional associations, academic institutions, school districts, nonprofit service providers & facilities, and public agencies
- Devising strategy and developing competencies with school districts, educational agencies, and school board and teacher associations working to improve teaching, learning, and organization.
- Guiding member and staff leadership of the National Collegiate Athletic Association [NCAA] through a broadly participative and transparent process that redefined the organization's core purpose and values, developed vision based strategy and action plans, and realigned the NCAA's priorities to lead a re-focusing of the university athletic experience for the 21st Century.
- Providing research, training, and consultation to healthcare delivery, physician, and nursing organizations developing strategies to improve quality of care and access to services while containing costs.
- Developing new organizational, program, and operational strategy with the United States Green Building Council [USGBC]-enabling a diverse association serving the construction industry, facility management profession, government agencies and environmentalists with innovative practical solutions to global ecological concerns to successfully navigate through a period of multiple opportunities, complex demands and rapid growth.
- Designing and conducting an institute for an international philanthropic organization to train representatives leading non-governmental ventures from 10 Asian nations with a tradition of conflict.

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- Guiding engineering and technical associations through strategic planning and management systems to optimize the contributions of the nation's infrastructure professionals dealing with increasing complexity, technology, and regulation.
- Assisting the United States Environmental Protection Agency, the American Water Works Association, the Technical Institute of the Pulp and Paper Industry and other environmental advocacy organizations to foster global use of technologies that contribute to quality of life.
- Developing strategies and institutional competencies with members of the American Health Care Association and the American Association of Homes for the Aging for improving delivery of care to America's expanding older population.
- Counseling real estate, credit union, savings and loan, insurance, and commercial bank leadership addressing dramatic changes affecting the property and financial industries.
- Working with community action agency leaders across the US to develop the competencies and knowledge needed to contribute to success of the nation-wide welfare reform initiative.
- Facilitating planning activities of information, telecommunications and entertainment related organizations in high technology industries challenged by tough competition and constant dramatic change.
- Supporting research and program planning efforts of agricultural organizations addressing complex issues related to food safety, industry prosperity, and shifts in the demography and economics of agriculture.

Education and Professional Involvements

Glenn Tecker is also co-author of three best-selling text books – *The Will to Govern Well – Knowledge, Trust and Nimbleness*, *Building a Knowledge-Based Culture... Using 21st Century Work and Decision-Making Systems in Associations*, and *Successful Association Leadership: Dimensions of 21st Century Competency for the CEO*; co-designer of a curriculum for training the boards of organizations; editor of an education handbook for executives of non-profit organizations; primary developer of a guide for organizational self-assessment; and author of *Merit, Measurement and Money*, a book on staff evaluation, incentives and compensation. Tecker has served in an executive capacity with business, public agencies, and non-profit organizations. He has also been a Board member for both non-profit and for-profit corporations. Currently he serves as Board Chair of New Hope Academy – a non-profit multi-campus non-traditional alternative school in Pa. and as a member of the executive committee of the Board of Guide Dogs for the Blind Foundation and America's Vet Dogs in NY.

Industry Honors

In 1998, Glenn was honored as the recipient of ASAE's Academy of Leaders Award - the highest possible recognition awarded by ASAE's Board of Directors.

Leigh Wintz,

Leigh Wintz, CAE is a principal consultant with Tecker International, LLC and co-author of *The Will to Govern Well, 2nd Edition*. Leigh will be partnering with Glenn on the project.

Consulting Accomplishments

Leigh is a skilled facilitator with an energetic style and sense of humor. Leigh has worked with clients for 20 years to:

- implement modern board governance techniques that empower staff to do achieve results and keep boards focused on the future and strategic decision making;
- identify and overcome barriers to organizational effectiveness in governance, staffing, communications, and programs;
- secure support for acceptance of significant organizational change, such as restructuring, governance redesign, strategic planning outcomes, name changes and dues increases;
- Train volunteer and staff leaders to be more strategic in focus; linking market research to strategic planning.

Career Experience

Leigh spent 25 years as CEO of two international women's associations. Prior to becoming an association CEO, she was assistant administrator of a 600 bed hospital in southern Maryland and a senior manager of several different health care organizations. She maintains her license as a registered nurse and has volunteered for eight medical missions to developing countries with Operation Smile.

Her practical and real-world advice to clients is borne out of her ongoing interaction with the ever-changing challenges that face non-profit and human service organizations in today's world. In addition to being a certified association executive (CAE), Leigh is a professional registered parliamentarian (PRP) who specializes in writing or revising bylaws and presiding at conventions. She is a frequent speaker and workshop facilitator on management, parliamentary pearls and perils, women's issues and international meeting planning and management.

Education and Professional Involvements

A Fellow of the American Society of Association Executives (FASAE), she served on ASAE's board of directors for three years and in 1992 won ASAE's international management award. Active in other professional organizations, she has served on the board of directors of the Delaware Valley Society of Association Executives and the Professional Convention Management Association (PCMA) where she served as chairman of the board in 2006. She has also served on the board of directors of the General Federation of Women's Clubs and both the National and Virginia Easter Seal Societies. Leigh is currently serving on the board of directors of the National Association of Parliamentarians.

Leigh is a graduate of George Mason University in Fairfax, VA with a bachelor's degree in nursing and a master's degree in nursing administration.

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TI Senior Consultants/Associates

Other TI professionals may be involved with Glenn and Leigh in research, analysis, and/or report writing.

Other Relevant TI Experience in Governance Assessment

Glenn Tecker and Leigh Wintz, the consultants for this project have worked with dozens of school related organizations on governance and operational assessments. Glenn and Leigh are co- authors of the American Society of Association Executives (ASAE) publication, *The Will to Govern Well: Knowledge, Trust and Nimbleness*. This publication is on its second printing and is part of the required reading for ASAE's certification program. Extensive research on governance effective practices was conducted and serves as the basis for the content of the book. In addition, Glenn and Leigh develop and present the content for ASAE's CEO Symposium for Chief Elected and Staff Officers. The Symposium is held eight times per year in the United States and Canada and includes effective practices in non-profit, mission driven organizational governance, management and operations.

For a more comprehensive list of TI past and present clients, please refer to www.tecker.com.

Recommended Approach

This document represents a summary of project objectives and attributes identified in those informal conversations. It describes a project work plan that meets the group's specifications of an initiative that is:

- Outcome oriented
- Informed
- Participative
- Measurable
- Adaptable
- Sustainable

OVERVIEW OF THE DRAFT PROJECT DESIGN

Step 1: Synthesis of existing SNA data
Staff

Step 2: Design Session
Officers, senior staff, and other selected key stakeholders - (1 day)

Step 3: First Planning Retreat
Board and Senior Staff – (two days)
(Existing judgments will be affirmed, revised, supplemented or abandoned as appropriate)

- Review Data
- Develop Assumptions About the Future
- Core Ideology
 - Core purpose
 - Core values
- Envisioned future
 - Big audacious goal
 - Vivid description
- Goals
- Strategic objectives
- Mega Issues
- Strategies
- Tentative priorities

Step 4: **Web Survey of Key Stakeholders**

Selected respondents

- Comment / Validation On Findings And Tentative Judgments To Date

Step 5a: **Internal Analysis**

Senior staff, officers, other selected key stakeholders (2 days)

- Core Competency Assessment
- Strategic Program Analysis
- Infrastructure Scan
- Key Process Analysis

Step 5b: **Develop Operational Strategy**

Senior staff/consultant – (as needed)

- Develop infrastructure improvement strategy
- Develop transition strategy for operational improvements

Step 6: **Second Planning Retreat**

Senior staff, officers, other selected key stakeholders (2 days)

- Refine goals and objectives
- Refine Strategies
 - Program
 - Operational
- Set priorities among strategies

Step 7: **Draft Strategic Plan**

Senior staff/Consultant

Step 8: Professional Development & Work Process Re-Engineering

Step 8a: Redesign Agenda & Train Current & Incoming Leaders – (1 day)

Step 8b: Proposed SNA Strategic Plan Submitted for Approval

Step 8c: Chapter/Committee. Leadership Workshop & Strategy Session (1 day)

Step 9: Action Planning

Work session with Staff / Key Member Leaders (2days)

- Develop action plans for critical and high priority strategies
- Develop estimates of resource requirements
- Install performance management systems
- Install Remodeled Board operating systems
- Implement revised infrastructure

Step X: Communication Strategy

Staff /Consultant (as needed)

- Ongoing communication to key stakeholders through project conception, initiation, implementation and conclusion.

Appendices

A. Sample Design Session

B. Governance Backgrounder

C. An Evolving Model of Association Infrastructure

Design Session Sample Agenda

- **Introductions and Background**
- **Issues And Challenges For The NCCPA In A Changing Environment**
 - *What assumptions can we make about the relevant future environment of ALFA and what implications are there for the organization?*
 - *Based on an assessment of the foreseeable future, what may be the areas of greatest opportunity and/or challenge for ALFA?*
 - *What are the beliefs and assumptions in place today within ALFA that influence how the organization is structured, how it functions, and what it accomplishes?*
 - *What issues, concerns or opportunities exist for ALFA with regard to the elements of infrastructure?*
- **Project Objectives:**
 - *What are the specific objectives and deliverables to be produced from this project?*
 - *What will define success for this project? What needs to occur for you to believe the project has been worthwhile? What should it be or not be; be like or not be like?*
 - *Are there significant obstacles or roadblocks that will need to be overcome in order for the project itself to be successful? In order for what is developed to make a difference — i.e. for implementation to be successful?*
 - *Who are the groups and individuals whose understanding, involvement and support for the project will be critical to its success? What should be the nature of their involvement?*
- **Project Design:**
 - *What steps should the project include, what timeframes, etc.?*
 - *Development of a detailed project plan, (including budget), based on discussion of project objectives, attributes and realities of ALFA that impact approach (time commitment; level of participation, i.e. who involved/to what extent; etc.*
- **Next Steps/Adjournment**

Background on Board Governance¹

Glenn Tecker and the Principal Consultants
Of
Tecker International LLC

Introduction

Organizational governance can be understood by considering the alignment of structure, process and culture.

Governance relates to the decision making units of the organization and the relative powers, authorities, and responsibilities that each possesses. It also involves the way in which they exercise those powers, authorities and responsibilities. Governance is also affected by the behavior of the individuals that compose groups with decision authority. The aggregate of their behavior both guides, and is guided by, the governance culture of the enterprise.

Structure refers to units with decision authority, the nature of their authority, their relationship to each other, and how they are composed. Process refers to the systems, methods, and approaches employed by the unit to accomplish its assigned responsibilities. Culture refers to the beliefs, values, and behaviors which exist as the norms of behavior within the enterprise.

Good governance principles apply to all units of governance. Over the past few years, many associations have done much to streamline their governance systems in a world that requires more decisions be made more quickly and with better knowledge. They have sought to accomplish this without diminishing the democratic and participatory nature of a membership organization. Those that are most successful in balancing these equally important objectives have done so by employing methods to obtain reliable and up-to-date insight about the experience, opinions, and preferences of the populations whose interests they serve.

Trade and professional associations are organizations composed of members. In most trade associations the members are organizations. In most professional associations the members are individuals. Some of organizations provide membership categories for both. In any case, the model of governance employed by membership organizations tends to be a peculiar blend of political and corporate characteristics. This hybrid is often referred to as "the representative governance model".

¹ This paper draws heavily on the Background to Governance prepared by and for the Kawartha Pine Ridge Canada District School Board based on work with and material developed by Glenn Tecker and others cited in the body of the text.

The political dimension of the representative governance model occurs as a result of the use of a selection or election process to identify the individuals who will sit on the respective governance bodies. Usually, the selection or election process is expected to provide leadership with access to the variety of perspectives that reflect the diverse experiences and expertise represented in the membership population. The character and systems of the selection or election process will determine the degree to which the "political" objectives of the model are, in fact, achieved.

It should be noted that good governance assumes attention to the views held by various communities within the total population. Dependable information is essential to groups afforded authority to decide on any group's collective behalf. To avoid being "opinion rich" but "information poor", good governance earns confidence in the ways in which it moves relevant information from "the people and places that have it" to "the people and places that need it." Emergent technologies have enhanced the ability of governance bodies to be accurately informed about the experiences, values, opinions, and preferences of the many sub constituencies that usually exist within a complex organization. Additionally, effective governance recognizes that it needs to understand not just the opinions held by particular communities, but also what values, experience, or self-interest serve as the basis for the opinion held.

The corporate dimension of the representative governance model occurs as a result of the fiduciary responsibilities of a governing body as defined by law. While these legal obligations are primarily directed to the board of directors recognized in the required articles of incorporation of the enterprise, the spirit of those laws also extends to units of decision authority to whom a Board of Directors may report, to whom may report to the Board of Directors, or with whom the board of directors may operate in parallel. These legally enforceable duties are discussed in greater detail later in this paper.

In the "representative governance model" the relationship between three variables of effectiveness usually determines the relative success of governance. These three variables are (one) the role of the governance unit, (two) the process used to implement its role, (three) and its capacity to efficiently employ the process.

The role of a governance unit is defined by the decision authority, responsibilities and contributions which the organization is dependent upon the unit to contribute to its thinking haven't enterprise. The process of a governance unit is defined by the systems, procedures, and methods it employs to accomplish what the organization expects it to contribute. The capacity of the governance unit is defined by the degree to which it possesses the resources necessary to effectively execute the process employed to implement its role. These resources include the size

of the body, its frequency of meeting, and the quality of access to the information that it requires to make informed decisions.

Whenever role, process, and capacity are not in alignment for governance unit it is likely to be dysfunctional and unable to accomplish its job regardless of the intentions or talent of the individuals of which it is composed. When any unit of governance, especially those that are part of the representative governance model, is not in alignment, all of the units of governance with which it is involved will be negatively affected. Confidence in the quality of the enterprises decisions is directly related to the degree to which there is clarity and consensus in the respective contributions of its working parts. The failure of any part of the whole to earn a reputation for of effectiveness in product and efficiency in process will diminish the reputations enjoyed by its partner units. Thus, the trite but accurate observation that "a chain is only as strong as its weakest link" is especially applicable to human systems on which others depend for leadership.

This background paper reflects what we observe to be effective practices among association Boards that are operating in the best interests of their members and in a manner that delivers maximum value to their organizations. While it focuses on the role of a Board of Directors, the attributes of effective governance examined also apply to other units with defined decision authority such as Houses of Delegates, Executive Committees, Councils, etc.

The Board of Directors of an association can be an elected or appointed body but no matter how it is constituted, its responsibilities are to provide fiduciary care and governance of the association on behalf of the owners of the association. In most not-for-profit associations, the owners are its members.^{2 3}

Individual members of the Board have a fiduciary relationship with the association. The duties that are owed by the Board member are among the highest standards of conduct that the law imposes. Board members are required to act honestly, in good faith and in the best interests of the Board and those it serves, and to apply the level of skill and judgment that is reasonably expected of a person with their knowledge and experience. As an official of the association, a Board member must meet certain standards of conduct and attention in carrying out his or her fiduciary responsibilities to the organization for which a court will judge conduct. The three duties are obedience, loyalty and care.⁴

● The Duty of Obedience

² There are growing instances of for profit associations where the owners of the association are individuals, not members. In these instances, the board reports to the individual owners and members are relegated to the role of customer. We are not discussing this arrangement in this background paper.

³ See The Will to Govern Well, Tecker, Wintz, Crouch and Meyer for further discussion of the unique "DNA" of associations in which owners are also customers and workforce.

⁴ BoardSource 2004

The governing board must comply with local, state and federal law and conform to the organization's tax exempt standing, articles of incorporation, bylaws and policies. This duty forbids acts outside the scope of corporate powers.

- **The Duty of Loyalty**

To meet the duty of loyalty a board member must act in good faith and must not allow personal interests to prevail over the interests of the organization.

- **The Duty of Care**

This duty requires volunteers to be diligent and prudent in managing the organization's affairs, including direction setting, cultural modification and management oversight. Volunteers are charged with governing and must handle the organizational duties with such care as an ordinary prudent person would use under similar circumstances or in the management of his or her own company.

Board members are expected to monitor and inquire when there is something that alerts them to a wrong direction, something outside the mission of the association, or an illegal action. The duty of care is not about inquiring as to why something was done a certain way, but to monitor, through the information the Board member receives, that action taken is in the right direction, within the scope of the nonprofit's charter, and legal.

The Board's Governance Role

Governance is both what the board does – the areas in which it exercises its governance role and the approach it takes when exercising its role. Governance is also a term used to describe how a board does its work – the processes used by the board as it fulfills its fiduciary obligations.

To understand 'what' a board does requires an understanding of the areas in which the board exercises a governance role. At its most basic, a Board approves the strategic direction and programs of the organization, approves the resources available to execute those approved strategic directions and monitors the implementation of that execution. Boards typically have responsibility for strategic planning, quality, and financial oversight, management oversight of the CSO, risk, communications, culture, and governance.

A board has authority subject only to the authority of the members. And while bylaws of some organizations may delegate some specific exceptions of authorities and accountabilities from the Board to the Executive Committee of the Board, in general a board has three specific roles – the corporate role, the legislative role and the adjudicatory role.

The Corporate Role

In its Corporate Role, the Board has the responsibility for hiring the chief staff executive and, usually through either a Compensation or Executive Committee, overseeing the negotiation/renegotiation of the contract and the evaluation of the CSO's (chief staff officer) performance and subsequent compensation adjustments.

The Board is also the keeper of the strategic plan. As the "keeper" of the plan, the Board monitors the plan's execution at a strategic, not tactical, level, annually reviewing the continued appropriateness of the organization's strategic direction and progress in that direction and making adjustments as needed. In the strongest organizations we've dealt with a 'manageable' sized board, the Board also serves as the strategic planning committee, and by doing so, ensures that all members are familiar with and in agreement on the overall strategic direction of the organization, as well as in agreement on purpose, values and vision of the organization. Ultimately the Board approves the strategic plan and ensures that its decisions are consistent with the strategic direction embodied by the plan.

The last element of the corporate role is to oversee the programs and resources of the organization. This does not mean that the board engages in oversight at the tactical level nor is it involved in daily operational decisions about the execution of program strategy. It does mean that the Board makes strategic decisions about the relative allocation of resources across possible program or business lines and it outlines expectations of what those business lines should be capable of delivering when effectively executed. Here the Board's focus is on 'what are the right things for the organization to do' rather than on whether or not the organization is doing things right.

Within this context, the Board has responsibility for both organizational quality and financial integrity. From the quality perspective, the board identifies appropriate performance standards and indicators (metrics) for the work of the organization, as well as determining and evaluating its own performance standards. The strongest boards are those which regularly assess their own behavior and consistently work to strengthen their effectiveness. From the financial side, the Board serves as steward of the finances of the organization, approving financial policies and ensuring the annual budget is developed consistent with those policies and that a reserve policy is both in place and adhered to. Further, a Board is responsible for overseeing the integrity of the internal controls and approving audited financial statements.

The Legislative Role

The second major role of a Board is a legislative or policy role and that policy focus is divided between internal focus and external focus. On the internal side, the Board establishes

operational policy. The nature of this policy focus still normally stays at the strategic level. For instance, a board might set the compensation philosophy of the organization, deciding that the preferred pay point for staff is in the 50th percentile rather than the 75th percentile of the pay range or that the organization is going to offer a SEP retirement savings program rather than a defined contribution benefit plan. And while the Board establishes these broad internal human resources policies (usually based on recommendations from the CSO), the Board does not get involved at the level of establishing salaries for any position other than the CSO.

On the external side, the Board approves positions on external issues of interest to the membership. These are typically the public policy stands that the organization will take, either legislatively, scientifically or educationally. This policy setting may or may not be informed by member referendum or informal member feedback, depending on the culture and past practice of the organization.

The Adjudicator Role

As the world in which associations operate has become more complex, the adjudicator role has become an increasingly important one. This role encompasses the Board's responsibility for decision making. The traditional choices have been to choose between positions presented, to compromise or create an alternative solution more acceptable to all participants or to decide not to decide, which is, of course, a decision – a decision to defer.

In light of the limitations of these traditional approaches to decision making, a new approach has emerged. Called Knowledge Based Decision Making⁵, in its simplest form, it moves the group from the limitations of formal parliamentary procedures like Roberts, O. Garfield Jones, or Sturgis where the motion controls the scope of the discussion, and into the committee of the whole. In that setting, the group is free to engage in a wide ranging dialogue designed to explore all possible solutions to large and complex issues facing the organization. The process begins with the identification of a mega issue question that addresses an issue of strategic importance to the organization, usually a question that cannot be answered yes or no and that needs to be addressed over a significant time period. These are typically no single discussions. A backgrounder is then prepared addressing these four knowledge based questions:

1. What do we know about our members', customers', stakeholders' needs, wants and expectations that is relevant to the question at hand?
2. What do we know about the evolving dynamics of our members' marketplace that is relevant to the question at hand?
3. What do we know about our capacity and strategic position that is relevant to the question at hand?
4. What are the ethical implications of this discussion?

⁵ Ibid, Tecker, Wintz, Crouch and Meyer

Using the answers to those questions as a shared information framework, a multi-step dialogue then occurs that identifies the options available to the organization, evaluates the options, determines areas of consensus and assigns accountabilities and timeframes for action. The results of the dialogue are then placed into a motion and brought before the Board for deliberation and a vote.

Governance vs. Management

A Board's governance role can be described in terms of what it is not – a board is not responsible for day-to-day management of the organization. In simplest terms, the board governs and staff manages. A Board's role is to see that the association is well managed but it is not the role of the Board to do the managing. This is a critical and challenging distinction. When the Board crosses the line to delve more deeply into matters that should be solely within the purview of management, the Board loses both its focus and the time that it needs to spend on Board business.

Creating an understanding of the difference between the two roles (as well as delineating what falls where) should be done at the onset of each new Board's term. Otherwise, the desire to be a "good" Board member and appropriately execute one's fiduciary responsibility can be confused with micromanaging and stepping into the responsibility assigned to staff. This confusion is understandable, particularly when Board members new to their roles have come from affiliate or local organizations that did not have the luxury of staff and therefore no such distinctions existed. Board orientation makes clear what appropriate fiduciary responsibility truly is and what behaviors are supported and encouraged within the culture of the organization.

It falls primarily to the Board Chair to help the Board maintain its governance role. The Chairperson does this by carefully setting Board agendas in concert with the chief staff officer in advance of the board meeting and by carefully facilitating the discussion during Board meetings. Where Board members demonstrate by behavior a lack of understanding of the different roles, it is the responsibility of the Board Chair to create clarity. If that clarification role falls to the Chief Staff Officer, it is too easy for Board members to misinterpret statements as inappropriate power plays rather than clarification of agreed upon roles.

In an article in *The American School Board Journal* (May 2006) entitled *Working Together*, authors David Larson and Robert Rader outline responsibilities for School Boards and Board Directors, respectively. We have adapted their recommendations to the broader world of associations.

The Board's Responsibilities

1. To establish and regularly review policy, ensuring they are lawful
2. To hire, support and conduct an annual formal evaluation of the CSO
3. To refer administrative communications, including questions, complaints and personnel inquiries to the CSO as appropriate and to follow Board established protocol
4. To seek the CSO's input before taking action
5. To adopt and oversee the organization's budget, which is responsive to the needs of the members and the profession or industry represented by the association
6. To delegate to the CSO responsibility for all administrative functions, except those specifically reserved to the Board through Board policy and legislation
7. To conduct an annual self-evaluation of its own leadership, governance and teamwork
8. To ensure the appropriate resources for the CSO to carry out his/her responsibilities
9. To have the Board Chair work with the CSO to develop agendas for meetings
10. To communicate and interpret the organization's mission to the members, customers and stakeholders and to listen and incorporate appropriate perspectives into dialogue
11. To support the decisions of the Board once made

The Chief Staff Officer's Responsibilities

1. To implement policies approved by the Board and recommend changes, if appropriate
2. To develop, implement and inform the Board of administrative procedures necessary to implement Board policy
3. To serve as the association's chief executive officer
4. To respond to communications as appropriate and ensure adherence and appropriate response through adopted communications protocols
5. To keep Board members advised about association issues in a timely manner
6. To ensure preparation and implementation of an annual budget that supports the strategic plan
7. To provide the Board with information they need to make informed decisions
8. To oversee the organization and manage its operations on a day to day basis
9. To participate, as appropriate, in the annual self-evaluation of the Board
10. To work closely with the Board chair in developing meeting agendas and to ensure needed information is provided to support the decisions needing to be made
11. To hire and fire personnel for the association in keeping with best practices and to ensure each employee is properly supervised and evaluated
12. To serve as the key effective member of the staff leadership team

Joint Responsibilities

1. To work together with the membership to develop a purpose, values, vision and goals for the organization and to monitor achievement of those goals.
2. To provide leadership for the profession or industry by creating strong linkages with appropriate organizations, agencies and other stakeholder groups
3. To collectively execute their legal responsibilities and ensure adherence to Federal, state and local laws
4. To participate in continuous learning specifically geared to their respective organizational roles
5. To support Board actions and decisions
6. To establish a regular opportunity to discuss Board/CSO relations
7. To institute a process for planning strategically that positions the organization for success

Fostering a Culture of Respectful Board Behavior

The behavior of the Board establishes the leadership culture of the organization and establishes expectations of what behaviors are not only appropriate but rewarded. In the strongest Boards we've encountered, the following board behaviors are in place:

1. Board discussion focuses on desired outcomes consistent with strategic intent and core values, rather than detailing how an outcome is to be achieved or re-managing work after its been accomplished.
2. Discussion addresses what needs to happen next, rather than on what has already been done.
3. Emphasis is on using information; not collecting it.
4. The Board honestly considers issues of capacity, core capability, and strategic position in deciding what to do.
5. The Board makes the investment in individual and group behaviors that earn and sustain trust.
6. The Board sustains a deliberative process that gives governance the tools it needs to lead intelligently.
7. The Board encourages policy-making as opposed to political behavior.
8. The Board focuses on the value of what the organization produces for its stakeholders rather than on the distribution of power inside the organization.
9. It understands that its fiduciary responsibility is to define what will constitute value and ensure that value is delivered.
10. The Board encourages member and staff leadership to collaboratively assume accountability for delivering value, in an honest, open and well-informed partnership

11. The Board chooses to view mistakes that will occur as a natural result of risk taking and innovation, as a rich opportunity to be diagnosed and learned from.
12. It redefines measurements of success on the basis of indicators of quality and not just quantity.
13. The Board neither enables nor accepts dishonesty or manipulation, even when it is the path of least consequence.

In addition to these behaviors as a group, individual members of the Board demonstrate their own leadership competencies through appropriate behavior including:

- Each Board member stands in a fiduciary relationship to the Board. As a fiduciary, each must act honestly, in good faith and in the best interests of the association.
- Board members must avoid situations where their personal interests will conflict with their duties on the Board. They must also avoid situations where their duties to the Board may conflict with duties owed elsewhere. It is advisable to have all Board members sign an annual conflict of interest statement in order to ensure all are clear about expectations in this regard.
- All Board members must respect the confidentiality of information learned in the execution of their Board service.
- Board members must act solely in the best interest of the association.
- Board members bring to the Board diverse background, skills and experience. Board members will not always agree with one another on all issues. But in the discussion, disagreement should be with the idea, not with the person holding the idea, and all discussions should occur in an atmosphere of mutual respect and courtesy.
- Board members are expected to commit the time required to perform Board duties.
- Board members need to develop and maintain sound relationships and work cooperatively and respectfully with the Board chair, other board members and association staff.
- Properly authorized Board actions must be supported by all members of the Board. Board members who have voted against a motion must adhere to and support the decision of a majority of the Board.
- Board members are expected to:
 - Attend Board meetings and meetings of Board Committees on which they serve, either physically or electronically
 - Prepare for each meeting by reading Board materials in advance and coming prepared to contribute to the discussion
 - Remain up to date on board correspondence, email and other communications
 - Offer constructive contributions to Board and committee discussions
 - Voice conflicting opinions during the Board session but keep those conflicting opinions limited to the Board meeting

Board Representation

Governance's processes for work and decision-making must be transparent in order to earn the trust of members. In order to do this, members need to view governance as credible and legitimate. When the process of governance is viewed as credible, members view the process by which decisions are made as one based on rationality, not on political power, and on the reasonable use of information gathered from a variety of sources. When the process is viewed as legitimate, members believe that all of the views of all the important voices were part of the conversation that led to the judgment.

Transparency and trust in governance occurs when board members understand the difference between being "*representative for*" vs. being "*representative of*." If Board members believe they are "*representative for*," then they see themselves as the elected representatives of a particular constituency. *They voice only the self-interests and opinions of that constituency, and vote only on behalf of that constituency's interests.*

Board members who view their role as ensuring that the views, beliefs, values and self-interests of the constituencies they know the best are on the table as part of the conversation, are "*representative of*." They ensure that others are informed of the views of the constituencies that they understand the best. *They participate in a collective dialogue and deliberation based on what is in the best interests of the organization itself.*

Leaders who are part of national governing bodies by virtue of their role in local or statewide governance must have a particularly clear understanding of this distinction. Leadership's role in this case is to represent the best interests of the organization whose chair they are sitting in at the moment: *When on the national board, their fiduciary responsibility is to that board. When on the local or state board, their fiduciary responsibility is to that organization.* On both boards, their role is to be representative of; not representative for.

The choice of "for" or "of" is a foundational decision about the culture of governance. An effective and enjoyable culture can be achieved with (a) communication of that choice as a fundamental tenet of the organization's governance philosophy, (b) the enforced expectation that the commitment be reflected in organizational behavior, and (c) attention to the health of the systems that support it

Summary

Governance as we've described relates to the decision making units of the organization and the relative powers, authorities, and responsibilities that each possesses and the way in which they

exercise those powers, authorities and responsibilities. The most effective Boards do this in what we call a Leadership Partnership with staff.

Positive indicators of a successful leadership partnership include:

- Clarity and understanding of roles, where neither behaves as superior or inferior.
- Commitment to mission and values
- Good communications and information
- Long range goals and a defined set of results including a common understanding and expectations of where we're going, why, how we'll get there and how we'll know we've arrived.
- Cooperative evaluation of progress including a board committed to appraising both progress and achievement, staff management accountable to perform and demonstrate performance, and volunteer workgroups committed to and accountable for accomplishing work.

We've focused here on the Board, but good governance principles also apply to the other units of governance. Over the past few years, many associations have done much to streamline their governance systems in a world that required more decisions be made more quickly and with better knowledge. This background paper reflects what we observe to be best practices among association Boards that are operating in the best interests of their members and in a manner that delivers maximum value to their organizations.



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An Evolving Model of Association Infrastructure

STRUCTURES

1. Stakeholder
2. Program
3. Governance
4. Workforce
5. Financial

6. Information

PROCESSES

- Market & Marketing Research
- Strategy (Thinking & Planning)
- Governance (Policy & Strategic Intent)
- Operational Planning & Budgeting
- New Product Development
- Knowledge Management

An Evolving Model of Association Infrastructure

By Glenn Tecker, Kermit Eide & Jean Frankel

ELEMENT	KEY COMPONENTS AND ATTRIBUTES
Stakeholder Structure	<ul style="list-style-type: none"> Includes members, customers and stakeholders - all who have an interest in the work of the association. Can be individuals, companies, constituent organizations, and/or industries. Structures define who can be or choose to be a member, how membership groups are classified and organized, and the rights and prerogatives enjoyed by each membership category. May include degree of centrality to identity - understanding who are the organization's core members, members, customers, and key stakeholders. <p><i>We are observing that associations have become less concerned with who can be a member; and more concerned with what populations will be attracted to involvement in programs and policy initiatives. Many are rapidly evolving structures to support more customized relationships with the association, whether as individual or organizational members. New structures such as the Open Industry Model, and new categories such as web-only members, are beginning to emerge and we believe will continue to evolve in the coming years.</i></p>
Program Structure	<ul style="list-style-type: none"> Business lines, programs, products and services - the work of the association. <p><i>Increased segmentation of membership populations and increasing diversity in member preferences has demanded an increasingly higher degree of competence in planning and program delivery. Associations have become more cognizant of the need to articulate an attractive Value Proposition which speaks to the stakeholder's definition of value and the nature of the delivery experience expected. The next evolution in association program and service delivery will require a move beyond the ability to develop customized solutions for diverse market and member segments - it will require the capacity to conceptualize and bring to market entirely new types of products and services.</i></p>
Governance Structure	<ul style="list-style-type: none"> Decision-making units of the organization and the relative powers, authorities, and responsibilities that each possesses. The composition of each unit and how individuals are selected to participate in them. <p><i>We are observing that many associations have already done much to streamline governance systems in a world that requires more decisions to be made more quickly and with better knowledge. we are increasingly seeing associations move toward a more integrated model of governance: knowledge-based strategic governance is becoming a mechanism for consultative leadership that recognizes strategy as the necessary and appropriate link between the board's role for governance and the staff's role for management and implementation.</i></p>

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An Evolving Model of Association Infrastructure - Processes

ELEMENT	KEY COMPONENTS AND ATTRIBUTES
Workforce Structure	<ul style="list-style-type: none"> • The human resource pool — both volunteer and employed. • Committee system, staff divisions or departments, relationships with outside experts and contractors, including outsourcing and co-sourcing. <p><i>We have observed that many associations have become more responsive, flexible, and fluid in work force structures - to be able to quickly refocus assets on rapidly evolving and frequently shifting priorities. Volunteer structures have evolved from standing committees to action-oriented, task-based work groups. Staff structures have moved from functional to program and market-based. Communication abilities will continue to be critical to ensure constancy of direction and coherency of program in rapidly changing organizational environments, but increased demand for outcome accountability will require these groups to adopt new systems and processes designed to manage risk, track process, and measure results.</i></p>
Financial Structure	<ul style="list-style-type: none"> • Sources of revenue, relative proportions of revenue from various sources, the allocation and placement of available revenue, and the anticipated cost of resources, and opportunities over time. Includes dues structures, investment strategies, and projected estimates of significant costs. • Basic decisions related to fiscal status and selection of tax-exempt status (e.g. 501 c3 vs.. 501 c6) are determinations about financial structure with enormous strategic implications. Can apply to the association as a whole and/or to emerging business lines and program and service delivery units. <p><i>We are observing an increasingly complex blending of business models and fiscal structures within association structures. They may consist of 501c entities, as well as for-profit subsidiaries, alliances, joint ventures, and other partnerships. Evolving delivery models will have a significant impact on fee structures related to dues as well as more transactional based fee for service models. Not-for-profitness is no longer the defining characteristic of voluntary association.</i></p>
Information and Knowledge Structure	<ul style="list-style-type: none"> • Links the structures of the association to its decision-making processes. Ensures that individuals and groups executing activity have the knowledge they require to make sound decisions and effectively execute work. Includes (a) the decisions that will be needed at each and all levels of the organization; (b) the information that will be required to effectively make those decisions; (c) the sources of that information; (d) the processes for collecting the information from appropriate sources; (e) the methods for tabulation and analysis that aggregate and categorize the information; (f) the technologies, systems and processes that will be used to interpret the information, integrate it with the appropriate know how, and systematically distribute or provide access to it in useful forms to the person or places that will need to make or coordinate judgments based on it.

An Evolving Model of Association Infrastructure - Processes

ELEMENT	KEY COMPONENTS AND ATTRIBUTES
Market and Marketing Research	A balanced selection of all the tools of market-directed management: marketing research and assessment (both formal and informal); the development and maintenance of a rational, common database to guide decisions about member wants, needs, and preferences — including demographic, qualitative and quantitative information about member (and customer) expectations of a product or service's ability to solve a problem or provide a valued benefit; timely delivery of services; value pricing; reliability; service responsiveness. The ability of developers and decision-makers at all levels to constantly access useful information and consider it in their work.
Strategy (Thinking and Planning)	A continuous process of thoughtfully determining direction, at all levels of the organization, on the basis of careful assessment of clearly defined and desired outcomes representing clarity about what will constitute success; thinking strategically about the changing environment and how the association will respond to evolving influences, factors and issues.
Governance (Policy and Strategic Intent)	An articulation of philosophy as well as a system of established and clear processes for effective partnership and rational deliberation guiding oversight of the organization; the intellectual and political steps to producing judgments related to: (a) positions the organization takes on public issues of importance to the membership; or (b) statements of direction, guidelines, or parameters established as frameworks within which initiatives or operations are to be executed.
Operational Planning and Budgeting	A process designed to determine the operational allocation of discretionary resources, driven by a strategic long-range plan, on a short-term, 1-2 year basis. Ensures that the decisions regarding resource allocation are based on strategic considerations, and that there is a balance achieved among three realms of work (a) transformational work reflecting progress toward each strategic long-range goal (b) work in support of ongoing programs and services, and (c) resources to support sufficient flexibility for responding to emerging opportunities or challenges. In the annual planning process, action plans, checkpoints, and milestones are developed, and form a basis upon which to measure organizational and individual performance.

An Evolving Model of Association Infrastructure - Processes

ELEMENT	KEY COMPONENTS AND ATTRIBUTES
New Product Development	<p>A process that institutionalizes market-focused philosophy in the association’s development, design and delivery of products and services. Creates a mechanism for a) responding to implications of marketing and market research on customer needs and values b) encouraging innovation, c) improving speed to market, d) managing risk and e) measuring progress.</p>
Knowledge Management	<p>The process of managing an organization’s knowledge assets that enables inventorying, cataloguing, sustaining and accessing “content” regardless of its original “container.” Enables the association to make available to all who are interested, the aggregate intellectual assets of an association, and position the association as the unique source of credible knowledge for their industry or professional arena. Creates an opportunity for the association to offer a unique value proposition as a source of instantaneous and easy access to a guaranteed pool of quality knowledge and insight at a reasonable and appropriate cost.</p> <p><i>We anticipate that these these six basic decision-making processes will continue to evolve in the future. They will be at the heart of success or failure for many organizations as they seek to manage through change.</i></p>



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