



M.J. Murdock
CHARITABLE TRUST



Board Leadership
& Development
A MURDOCK TRUST PROGRAM

Board Leadership & Development

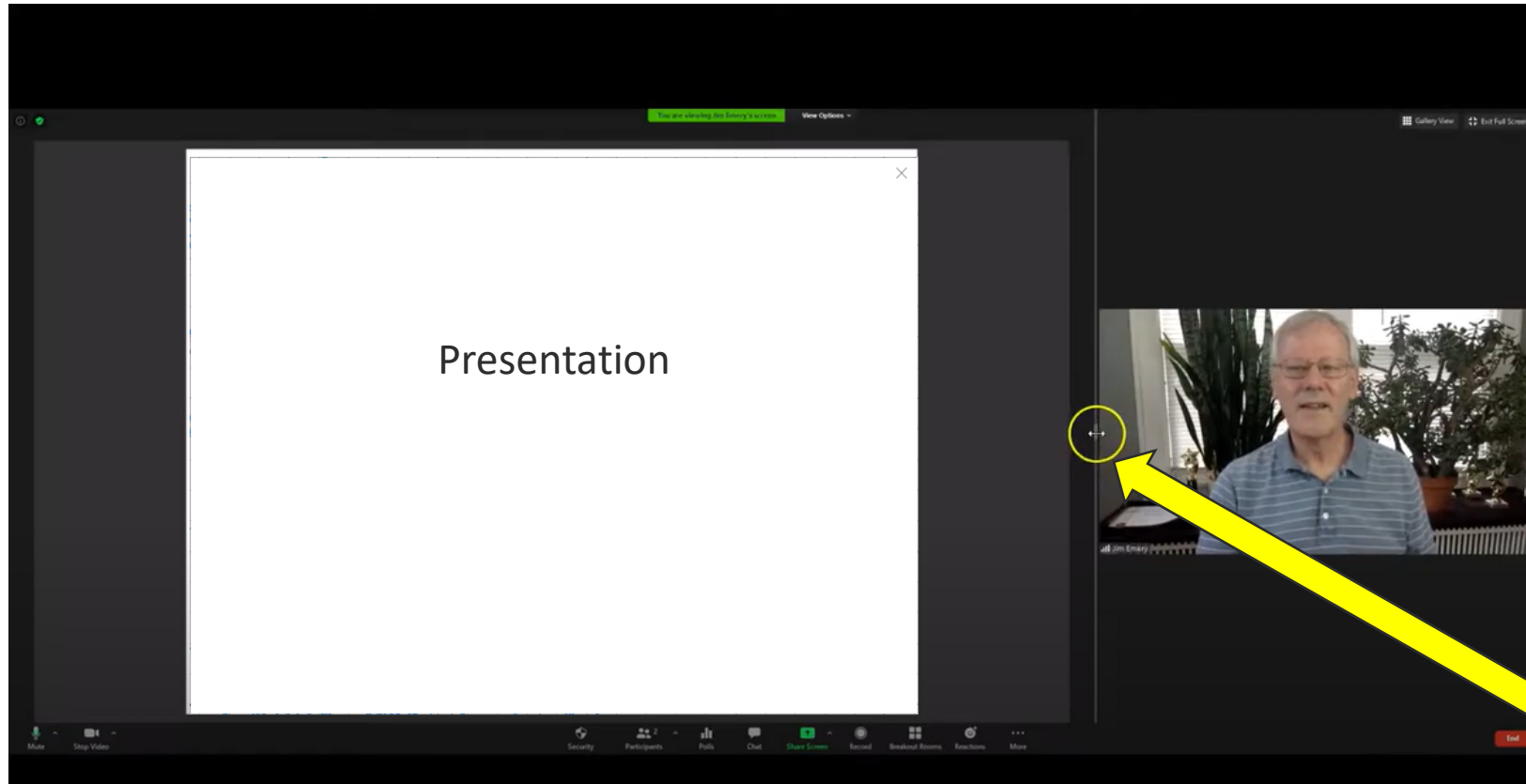
Faith-Based

February 2022



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Zoom Tip



Toggle the relative size of shared screen and speaker/gallery view



Setting the Stage:

Four Characteristics of a High Performing Board
Seven Keys for an Effective Board Meeting



A High Performing Board...

1. Agrees on the governance model and philosophy (Effective **Governance** Practices)
2. Defines and maintains a healthy, mission-centered board culture (Healthy/Faithful Board **Culture**)
3. Commits to deep understanding of the organization and its context/marketplace (**Sustainable** Organizational Framework/Business Model)
4. Holds the long view in mind (Dynamic **Strategic Plan**)



“Bureaucrats are hardly ever the heroes of stories. It is hard to extol the virtues of the person who, when faced with a looming societal problem, figures out which of the many processes and regulatory frameworks available to him or her is the appropriate place to start. We understand the appeal of the guy who reinvents the wheel. We get the triumph of she who surpasses overwhelming odds. But the soul who liaises with stakeholders, who wields acronym-laced organizational charts, who crafts carefully worded and completely understandable memos, who knows whom to contact for the details of another contact? That soul is hard to romanticize. Is there anything less cinematic than forming a committee and sending a punishing number of emails?”

Francis Collins, M.D., Ph.D

16th Director of the National Institutes of Health (NIH)



“Nobody wants to be an Organization Man. We like start-ups, disrupters, and rebels. There’s less prestige accorded to those who tend to the perpetual reform and repair of institutions. Young people are raised to think that big problems can be solved by a swarm of small, networked NGO’s and social entrepreneurs.

This mentality has contributed to institutional decay...If everybody is told to think outside the box, you’ve got to expect that the boxes themselves will begin to deteriorate.”

David Brooks

Author, NYT Journalist, PBS Political Analyst



A High Performing Board...

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Seven Keys for an Effective Board Meeting

1. Preparation
2. Agenda, agenda, agenda
3. Establish focus at the start
4. Stick to the plan
5. Documentation
6. Executive sessions
7. Evaluation





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Now:
Personal Break

The next session will begin at

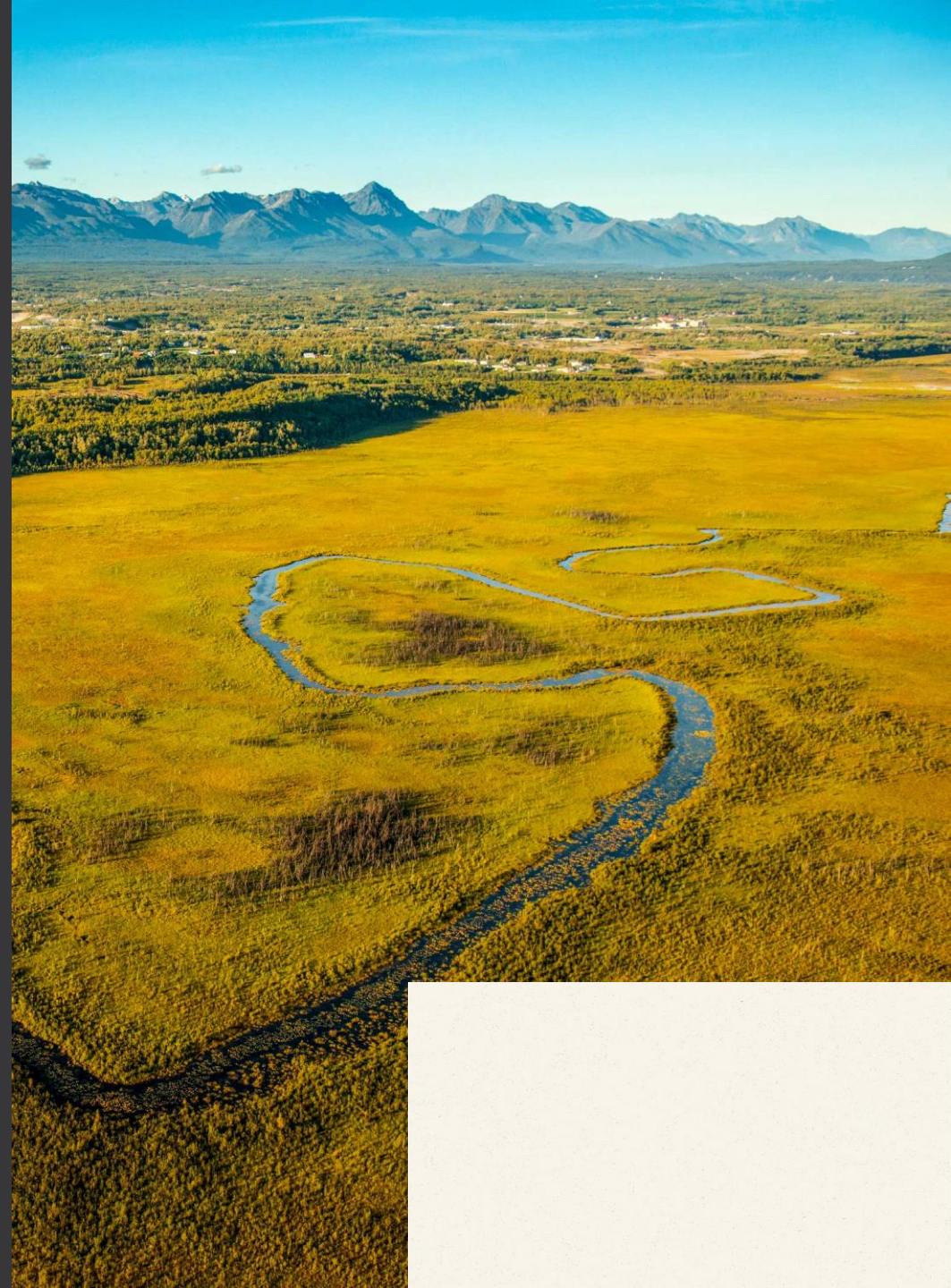
10:40 AM PST

*Please stay connected and rename yourself to include your first and last name *and organization*



Governance 101:

The Primary Work of the Board on Behalf of the Organization



*Adapted from Board
Source:
Ten Basic
Responsibilities of
nonprofit boards by
Richard T. Ingram*

Ten Primary Responsibilities of the Board

1. Determine the mission and ensure it remains the focus of the organization's operations
2. Select the executive director
3. Support and evaluate the executive director
4. Ensure effective planning
5. Monitor and strengthen curricula and programs



*Adapted from Board
Source:
Ten Basic
Responsibilities of
nonprofit boards by
Richard T. Ingram*

Ten Primary Responsibilities of the Board

6. Ensure adequate financial resources, including defining the board's role in fundraising
7. Protect assets and provide financial oversight
8. Build a healthy and faithful board, incorporating cultural competency
9. Ensure legal and ethical integrity
10. Enhance the organization's public standing



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The Primary Roles of Board Members



Shared Commitments of Board Members

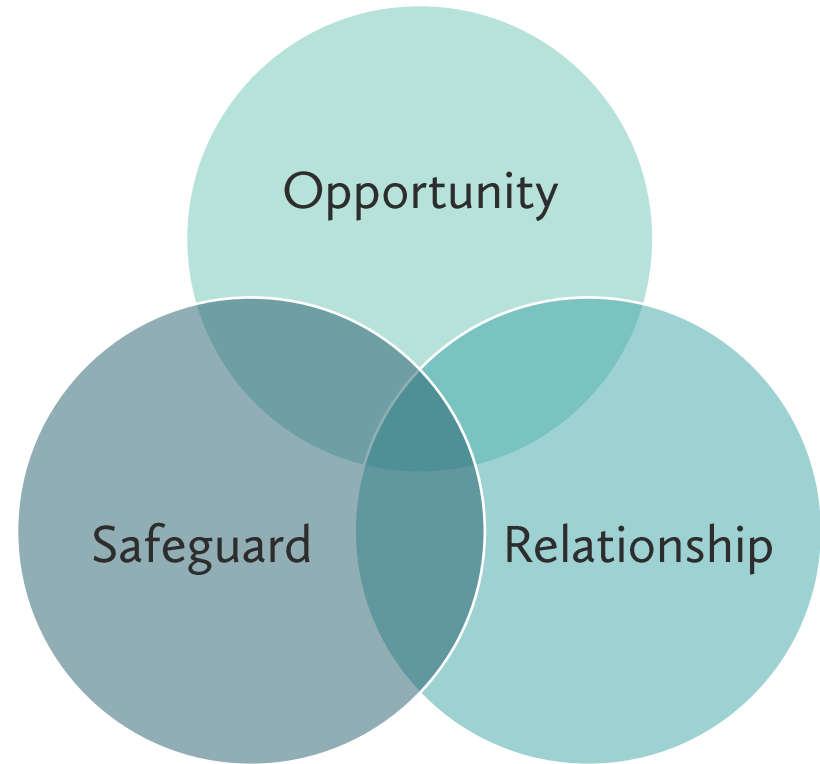
- › Annual Affirmation Statement
- › Creating alignment, agreement, and commitment



Board Policies

The board focuses on three types of policies

- › Opportunity policies provide thoughtful parameters on how opportunity will be pursued. For example, a policy may require 100% funding prior to starting a new initiative.
- › Safeguard policies are written to keep the organization from misunderstanding and harm. *Conflicts of Interest* and *Dispute Resolution* are two common examples.
- › Relationship policies describe the connection between the board, executive director, staff, volunteers, and constituency. Succession plans are a good example of how people will be cared for in crisis or planned transitions.



The Taxi

- › Boards provide direction regarding destination
- › You are not driving



The Corral

- › Board policies as safeguards
- › Case study



Governance

- › The board is a spiritual community called by God to steward/govern a piece of His Kingdom work here on Earth



Governance

› One Board—One Voice



Governance

› Assessment—the continuum... where is your board?





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Now:
Quick Break

The working lunch session will begin at

12:15 PM PST





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Now:
Organizational
Breakouts
(Working Lunch)

The next session will begin at

1:00 PM PST

Culture 101:

Creating and Sustaining a Healthy Board



“Culture is what people do when no one is looking.”

—Herb Kelleher, Southwest Airlines



Board Culture Defined

- › Unwritten rules, assumptions, values, and social expectations that dictate how board members behave together
- › How things get done, rather than what gets done
- › Like background noise, it often goes unnoticed
- › May seem perfectly healthy until a crisis or leadership transition occurs



“Culture eats strategy for breakfast.”

—Peter Drucker

“The most devastating effect of sin is that by it,
we are blinded to it.”

—Billy Graham



A Major Issue

- › 87% of organizations see developing healthy cultures as a top challenge



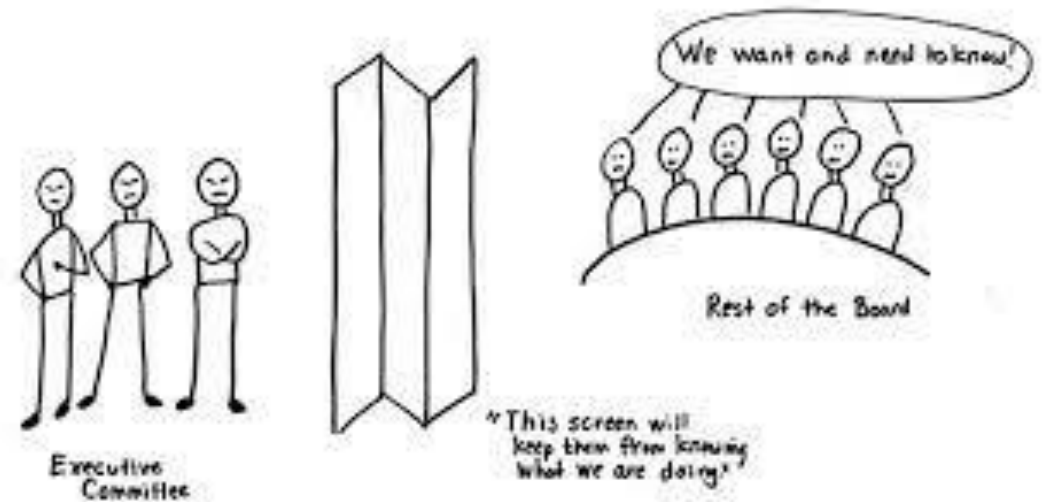
10 Traits of Unhealthy Boards

1. Dominant few vs. passive many



Traits of Unhealthy Boards

2. Lack of transparency about how decisions are really made



Traits of Unhealthy Boards

3. Group think (too homogeneous)—insufficient diversity

WHEN ALL **THINK** ALIKE,
THEN NO ONE IS THINKING
- WALTER LIPPMAN -



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Traits of Unhealthy Boards

4. Christian nice



Traits of Unhealthy Boards

5. Misbehavior tolerated

“In any failing institution, as common as the abuse of power is the neglect of power.”

—Andy Crouch



Traits of Unhealthy Boards

6. Board loyal to executive director rather than mission



Traits of Unhealthy Boards

7. Board usurps executive director functions



Traits of Unhealthy Boards

8. Dissent stifled

“Then Nathan said to David, ‘You are the man!’”

2 Samuel 12:7



Traits of Unhealthy Boards

9. Chair has low emotional intelligence



Traits of Unhealthy Boards

10. Unfocused/
undisciplined/easily
diverted



“I don’t want to take this meeting off track, but... isn’t *Stonehenge* amazing? Seriously, who *did* that?”



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Negotiable Cultural Traits

- › Style of communications: blunt vs. tactful
- › Risk tolerance: change vs. stability
- › Decision-making: 51% vs. 80% vs. consensus
- › Degree of homogeneity on issues such as faith, politics, and social views



A Cultural of Hospitality

› Cultural competence defined and applied



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Questions for Discussion

1. What unhealthy cultural traits does your board exhibit?
2. Apply the concept of cultural competence to your board. How might you collectively move towards improved organizational health?





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Now:
Quick Break

The organizational breakouts will begin at

1:55 PM PST





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Now:
Organizational
Breakouts

The Day 1 Wrap-Up will begin at

2:30 PM PST

See you tomorrow!

- › The room opens at 8:45am PST
- › The first session starts at 9:00am PST



Sustainability 101:

Building an Organizational Framework



“Our primary task is to unleash the creative forces in man. Let us accept the challenge and try to elevate the whole population.”

—Jack Murdock



What Do We Mean by “Sustainable”?

- › Lasting, built for the long-haul
- › Flexes but does not break, absorbs ups and downs
- › Balances inputs and outputs



Why is Sustainability Important?

- › Numerous constituents require it
- › You can focus on doing work rather than reorganizing

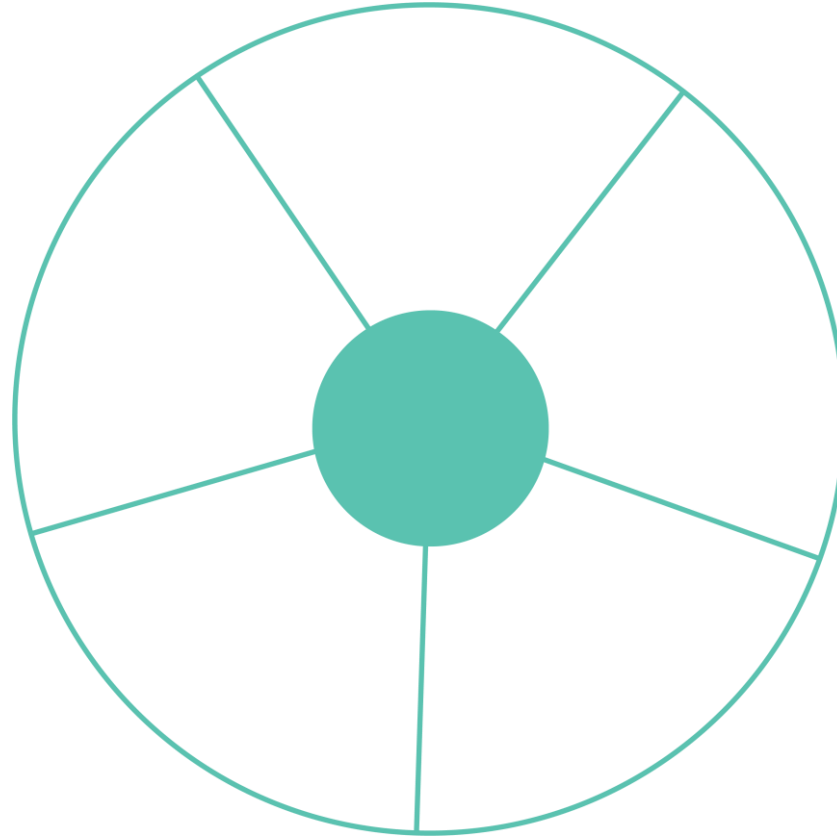


Organizational Framework

- › For a board member or an executive leader to be effective, she/he must understand the organization and its history, which requires knowing what they do and how their work is supported. In other words, understand your organizational framework.
- › Identify the elements of your organization's framework



Framework for Success: A Structure



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Everything Starts with “Why”

- › Why did you come into existence? What need did you see?
- › What gets you up in the morning?
- › What keeps you up at night?
- › Understanding your “why” leads to a promise



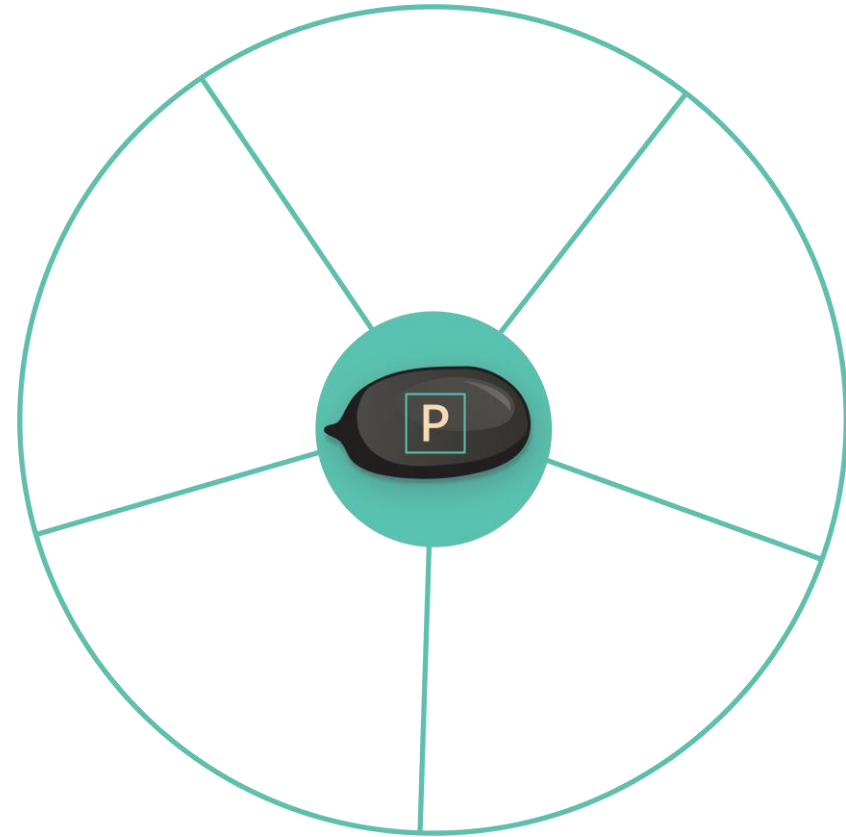
What is Your Promise?

- › Why was your organization founded?
- › What need did it set out to meet?



Your “Why” is the Core, Touching All Elements of the Framework

- › What is your promise?



First Core Element: Mission

- › Defines what we do
- › The board is responsible to steward (hold in trust) the mission
- › Missions must live and breathe—they need to stay relevant



Second Core Element: Target Audience

- › You have multiple audiences—your primary audience is the beneficiary of your services
- › What does each audience want/need?
- › The board needs to ensure a strategy exists for each audience



Third Core Element: Programs

- › This is where your mission comes to life
- › Do we deliver this service/program better than everyone else?
- › Are our programs relevant/productive? Do they produce desired results?



Fourth Core Element: Resources



Fourth Core Element: Resources

Financial	Human	Gift-in-kind
Key strategies	Strategic plan	Equipment and technology
Property and facilities	Unique processes	Key relationships
	Data	

- › Avoid overreliance on financials
- › Have a plan and review process for each resource



Fifth Core Element: Future Direction

- › “Future” is the key word
- › Proactive versus reactive
- › Disruption will drive this if nothing else
- › How will you deliver your mission three years from now?



A Complete Framework for an Organization

- › Your promise is at the center of everything
- › Balances inputs/outputs
- › Top leaders need to understand your framework



Adding the POWER

- › The power is the interconnectivity of the elements
- › Embrace this and avoid silo thinking
- › Promote efficient behavior



Three Most Important Concepts with the Organizational Framework

1. Leadership must have a working understanding of the entire framework
2. Interconnectivity is key to driving efficiency and optimizing resources
3. Have a plan and review process for each element





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Now:
Personal Break

The next session will begin at

11:00 AM PST

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Strategic Planning 101:

The Board's Role in Strategic Planning




TEMPLE SHO OM
- CINCINNATI, OHIO -

Strategic Planning

› Why have a plan?



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Strategic Planning

- › A Spirit-led process of faith in which we seek God's will for the future of the ministry, and articulate it in a way that enables us to pursue it with organizational passion (unity of vision) and excellence (demanding our best)



Board's Role in Strategic Planning

Board as Staff	Board as Managers	Board as Directors	Board as Governors	Board as Advisors
<i>Legal responsibility resides with the board</i>	<i>Legal responsibility resides with the board</i>	<i>Legal responsibility resides with the board</i>	<i>Legal responsibility resides with the board</i>	<i>Legal responsibility resides with the board</i>
<i>Reasons for organization to exist are determined by the board</i>	<i>Reasons for organization to exist are determined by the board</i>	<i>Reasons for organization to exist are determined by the board</i>	<i>Reasons for organization to exist are determined by the board</i>	<i>Reasons for organization to exist are determined by the executive director</i>
<i>Organizational long-term goals are set by the board</i>	<i>Organizational long-term goals are set by the board</i>	<i>Organizational long-term goals are set by the board</i>	<i>Organizational long-term goals are set by the executive director</i>	<i>Organizational long-term goals are set by the executive director</i>
<i>Strategies to achieve organizational long-term goals are developed by the board</i>	<i>Strategies to achieve organizational long-term goals are developed by the board</i>	<i>Strategies to achieve organizational long-term goals are developed by the executive director</i>	<i>Strategies to achieve organizational long-term goals are developed by the executive director</i>	<i>Strategies to achieve organizational long-term goals are developed by the executive director</i>
<i>Day-to-day operational authority rests with the board</i>	<i>Day-to-day operational authority rests with the executive director</i>	<i>Day-to-day operational authority rests with the executive director</i>	<i>Day-to-day operational authority rests with the executive director</i>	<i>Day-to-day operational authority rests with the executive director</i>
<i>The board spends most of its time DOING the work of the organization</i>	<i>The board spends most of its time SUPERVISING the work of the organization</i>	<i>The board spends most of its time DIRECTING the work of the organization</i>	<i>The board spends most of its time GOVERNING the work of the organization</i>	<i>The board spends most of its time AFFIRMING the work of the organization</i>
<i>Primary board output is LABOR</i>	<i>Primary board output is COORDINATION</i>	<i>Primary board output is DIRECTION</i>	<i>Primary board output is COUNSEL</i>	<i>Primary board output is ENDORSEMENT</i>

- ▶ Board responsibilities
- ▶ Executive director responsibilities



These vary based upon which type of board you have. Adapted from R. Terrence Jackson (C) 2004

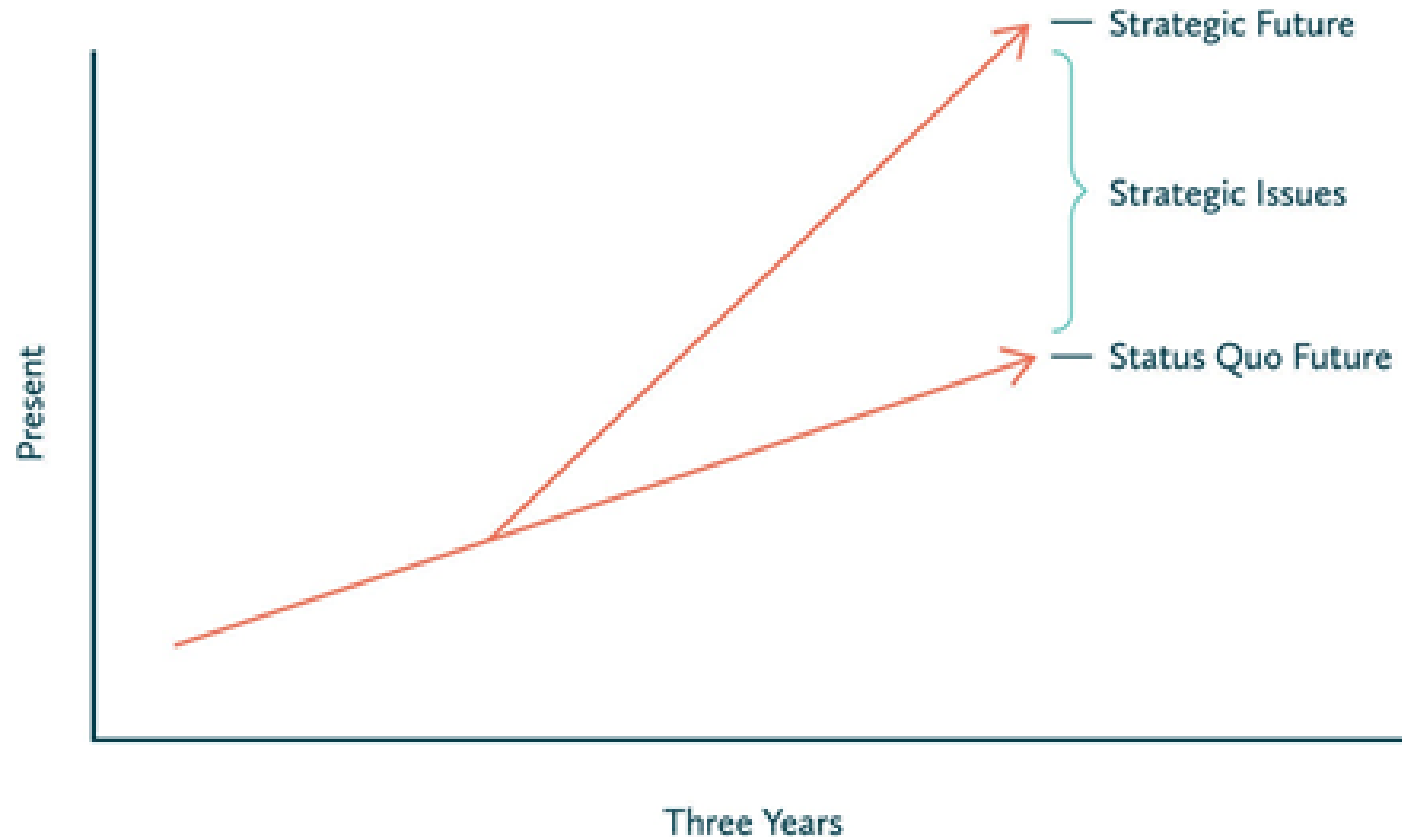


Board's Role in Strategic Planning

- › Where you are determines your role in the strategic planning process
- › Examples:
 - › Aligns with Characteristics of High Performing Boards — Long View in Mind (Front of the Ship)



Strategy Versus Operations



- › Strategy requires a dissatisfaction with the status quo for the future
- › Framing the Issues chart



Why Plans Fail, Falter, Succeed, Never Get Started

- › Fail: case study (no loyalty, no updates, no accountability)
- › Falter: case study (loss of focus due to tyranny of the urgent, board neglect, rigidity)
- › Succeed: case study (loyalty, accountability, agility, enculturation)
- › Never get started/finished: desire for the perfect plan, low priority, illusion of time commitment
- › Strategy is confused with operations
- › Framing the strategic issue



Benefits of a Good Strategic Plan

- › Works well for most boards and executive directors
- › Functions well in simple/complex situations
- › Collaborative
- › Drives strategic thinking into the culture
- › Focused and communicates well



Components of the Plan

- › Mission, vision, and values
- › Our customers and what they value
- › Environmental scan
- › SWOT/SOAR analysis
- › Trends (trend spotting exercise)
- › Assumptions
- › Spiritual discernment process
- › Three-year visionary priorities
- › Top three to five goals for year one
- › Board and senior team goals and dashboards
- › The rolling three-year strategic plan document



Agree on a Process

- › Rolling three-year strategic plan
- › Shorter-term operational plan
- › Scenario planning
- › Other
 - › Case study Christian Camp and Conference Association Strategic Plan—included in Appendix



Strategic Planning Assessment

- › Take assessment individually
- › Discuss three lowest scores
- › Identify next steps for improvement/work with coaches
- › See appendix: Strategic Planning Framework





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Now:
Personal Break

The working lunch session will begin at

12:45 PM PST

*Please stay connected to Zoom and use this time to get your GrubHub lunch ready!





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Now:
Organizational
Breakouts
(Working Lunch)

The next session will begin at

1:30 PM PST

**Time with your team and your coach to work on the assessments starting on page 183
& finalize your Top Five Strategic Next Steps*

stewardship encouraging collaborative
progressive family
cooperative
united enthusiastically relational integrity
strategically faith-filled open
committed supportive
passionate savvy engaged
professional wise spirit-led nourishing organized
unified spirit-led visionary called missional
sharp



Thank you!

- › See you March 15 & 16, 2022 in Vancouver, WA for session two!
- › Questions?
 - › Visit murdocktrust.org/boardleadership for more info
 - › Contact us at boardleadership@murdocktrust.org





Thank you

360-694-8415

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