

CASE STUDY 10

CHALLENGES OF CHOOSING A NEW BOARD CHAIR

Rocky Mountain Transitions (RMT) was a small Colorado-based social services nonprofit whose mission was to help new immigrants make a smooth transition into their new lives in northern Colorado. Services included helping newcomers find housing, enroll in English classes, establish social networks, find suitable daycare for children or elderly parents, and get oriented to the area. Although the organization was only four years old, it had already begun to make real headway in serving a wide variety of immigrant populations. The chief executive, Juanita, was an able manager and strong leader who got a lot of work done quickly; she and her six full-time staff and three volunteers worked tirelessly to achieve results. All of the full-time staff had first served as volunteers before becoming employees. The atmosphere in the office was cordial and committed.

The board of Rocky Mountain Transitions consisted of eight members, all of whom had been involved since the organization's founding. Umberto had been board chair from the beginning, was seen as a dynamic leader, and worked well with Juanita. He had primarily been responsible for getting three wealthy donors from the community (former immigrants, now U.S. citizens and successful entrepreneurs) to make major financial contributions. During the past four years, board members had demonstrated their commitment by giving freely of their time and money. In fact, Rocky Mountain Transitions had a policy stating that all board members must contribute money to support infrastructure, programs, and long-term goals.

While board members were still actively engaged in board duties, some were beginning to talk about cutting back a little, and maybe rotating off the board in a year or two. Ming and Lee, two members of the governance committee, had stepped forward to lead the recruitment process. Their efforts had been successful: At the upcoming annual meeting, they would be submitting the names of two qualified candidates for board membership. Despite this success, they faced a serious challenge. With a term limit of four years for the board chair, they needed to find a replacement for Umberto, whose term would end in two months. Although Ming and Lee had repeatedly asked for nominations, no one had come forward. In informal conversations, members talked about how hectic their lives were and how they looked forward to having more time for non-board activities. At the same time, they all said that they really enjoyed their board service and were proud to be affiliated with an organization of the caliber of Rocky Mountain Transitions.

Time was running out. Everyone knew the board needed a new chair, and they all felt some pressure to throw their names into the hat. Finally, Saayed stepped forward, saying he would like to be nominated for board chair. Where there should have been euphoria at finally having a volunteer, there was anxiety and uncertainty. Everyone liked Saayed; he was a very nice man, someone who would always help out in a pinch. But Ming and Lee were pretty sure that other board members felt as they did, that Saayed was not a natural leader who could rally the troops and revitalize the board's energy. Furthermore, strategic planning was scheduled to begin soon after a new chair was installed, and this process would certainly be easier with a board chair with proven organizational, management, and leadership skills. Could the board and organization afford to take a chance on someone who might not be viewed as an equal partner by Juanita, or who might not be proactive and results-oriented? On the other hand, they were in a bind. If other board members shared their perception of Saayed but still weren't interested in serving as board chair, what options did Ming and Lee have? Should the governance committee present Saayed as a candidate?

Figure 1

Now that you've read the case, answer the questions below to see how you would react. When you've finished, turn to page 153 to read responses from other nonprofit leaders.

- © 2011 BoardSource WRESTLING WITH BOARD DILEMMAS 31

CASE STUDY 20

STEALING THE SPOTLIGHT

On a snowy Saturday afternoon, Marsha Gray, board chair of the Joie de Vivre Ballet Company, settled down in her study to review the organization's budget and five-year plan. Only two years ago, Joie de Vivre, a volunteer-run ballet company, started as the dream of one dancer. Now the company was 40 dancers strong and staged performances all over the country. Marsha marveled over how much the company's budget had grown since last year. It truly is amazing, she thought.

Marsha could hardly take her eyes off the budget as she reached for the ringing phone. The voice of an excited board member on the line interrupted her train of thought. "Hi Marsha, it's Ben Williamson, and I've got great news. I was in New York, visiting some friends, and I was able to arrange for the ballet company to perform in a theater there on June 14!"

"Oh Ben, that is great," Marsha said as she nervously flipped through the company's calendar of events. "Oh... Wait a minute... Ben, that's not going to work. The company is supposed to be in California that evening, giving a private performance for our biggest corporate funder. Is there any way you can reschedule?"

"Marsha, I really hate to do that," Ben said. "My friend had to pull some strings to help me get this date for the company. And who knows, it might be a year or more before the theater has another open date for us to come. I'm trying my hardest to provide the company with a great opportunity here, I think we should take it."

"I appreciate your efforts, Ben," Marsha said. "But we can't expect the company to rework its schedule every time someone comes up with an opportunity for a performance. I'm sure they would have been happy to take on this performance, had it fit with the company's schedule. Do you think we can reschedule?"

"No, I don't think so," Ben replied. "June 14 was the only date the theater offered me. Beggars can't be choosers, you know."

"I hate to say this Ben, but we're going to have to turn this opportunity down. We cannot back out on a prior commitment — especially not a commitment to a major funder."

After hanging up the phone, Marsha found her husband in the kitchen. "Ben Williamson's done it again," she said. "He's gone off and made plans for the ballet company without checking in with anybody. I had to tell him to cancel a performance he had scheduled for a theater in New York because we already have something scheduled for that date, and he sounded pretty upset about that."

"That was a very nice thing that he did," Marsha's husband said. "It's too bad there was a scheduling conflict."

"I know," Marsha replied. "I hate to get upset with someone for taking initiative, but he can't keep making snap decisions without the board's knowledge or consent. This is the second time he scheduled a performance that has had to be cancelled due to a prior commitment. Last year he decided to spearhead a fund-raising gala without getting buy-in from the rest of the board. Some of the other members are beginning to feel left out of the loop on things because he works so independently. He has made some great contributions. He's been an excellent fund-raiser, and he's come up with some great ideas to give the ballet company more exposure, but he needs to learn to be more of a team player."

"Have you tried talking to him about this?"

"Yes," Marsha said, "but so far without success. Sometimes when Ben finds an opportunity, he has to take it right then and there and doesn't have time to check with anybody else. This New York performance is one of those situations. Other times he just doesn't see that when he does so much for the organization without the consent of other board members, he is actually hurting the board more than he is helping it. The last thing I want to do is chase Ben away from the board — he's a valuable member. But something has got to change, because this is creating a lot of tension between him and the rest of the board."

How can Marsha encourage Ben to seek consent of the board before taking such initiative in the future?

Now that you've read the case, answer the questions below to see how you would react. When you've finished, turn to page 176 to read responses from other nonprofit leaders.

1. What is the most important issue in this case?
2. What do you think should be done first to address this issue?
3. Any other steps you'd take on that issue?
4. In addition to the primary issue you listed above, are there others that need attention?
5. What steps do you recommend for addressing those issues?
6. What could have been done differently by the people in the case to avoid the situation entirely?