



Getting Your Board Outside the BOX

By Dr. Doug Talley

Governance As Leadership: Reframing the Work of Nonprofit Boards

By Richard P. Chait, William P. Ryan, and Barbara E. Taylor

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One of the primary problems facing governing board members is the lack of a compelling purpose. Governing boards often fail to reach their potential because board members are dissatisfied with their role. Instead of empowering the organization to make significant impact, governing boards often get stuck at the most basic monitoring and review levels. When this happens, board members can lose interest.

In *Governance As Leadership*, Chait, Ryan and Taylor expose board members to what they call “generative thinking”, and challenge them to step up their game. Generative thinking rises above the routine and obvious and engages the board in framing problems, opportunities and challenges. This way of thinking eschews the tendency to micro-manage board members, but rather sees them as high-level thinking partners.

If you’ve had experience with governance, then you are familiar with the two primary modes:

- ⤴ Type I: This foundational mode of governance includes fiduciary work to ensure faithfulness to the mission, performance accountability, and compliance to laws and regulations. If a board fails at this level, the organization can be significantly damaged or even destroyed.
- ⤴ Type II: This mode includes the board working strategically to set organizational priorities and releasing resources so these priorities are accomplished. If a board fails at this level, the organization can become irrelevant or ineffective.

Most governing boards view their work as just compromising these two modes. When this happens, the board microgoverns by only focusing on technical and managerial responsibilities and operational details. This can produce a lot of boredom as board members aren’t challenged or very engaged. If boards can add the generative mode (Type III) to their responsibilities, board members can contribute at a higher level. Not only will they find governing more fulfilling, but also the executive and the organization

will be more effective.

While stressing the importance of judiciary and strategic responsibilities, this book challenges boards to move from an oversight mindset that produces obvious questions like, “Can we afford it?” and “What is our strategy?” to an inquiry mode that asks more penetrating and systemic questions like, “What does the opportunity cost?” and “What are our biggest challenges and opportunities?”. While boards cannot minimize the technical aspects of their Type I and II duties, they may lose sight of the mission and miss the main thing unless they can shift from board as monitor to the board as partner.

Along with elevating the fiduciary and strategic modes through inquiry, adding the mode of generative thinking releases creativity and empowers a board to help frame higher level problems instead of only looking at what is obvious. Effective problem solving is often dependent on how the problem is framed. Generative thinking focuses on the framing, “producing a sense of what knowledge, information and data mean”.

Chait, Ryan, and Taylor write, “Generative thinking is essential to governing ... Generative thinking is where goal-setting and direction-setting originate ... it is cues and frames, along with retrospective thinking, that enable the sense-making on which these other processes originate.” It challenges values, beliefs, conclusions, assumptions and behavior. It is a critical part of what Max DePree calls defining reality. If it is not done well, disagreement will likely derail progress and mission alignment.

Generative thinking needs to be done early—before plans and strategies are developed. When a challenge, problem, or opportunity first surfaces, the board is at an optimum time to think generatively. Eventually a strategy and action plan need to be developed by the executive. But if the plan is not preceded by insight, the identification of systemic causes, examination of values, and the infusion of new ideas, then the executive will likely not be as effective in his or her role.

There is risk when a board adopts a “governance as leadership” approach. Traditional governance establishes some well defined boundaries for board members. Governance as leadership blurs some of those boundaries just enough that it may make some CEOs uncomfortable, as well as tempt some board members to use generative thinking as an excuse for furthering their own agendas. But these risks may not be as great as the risk of business as usual.

The solution is for boards to use a lot of wisdom and to guard against overusing the generative mode. All three modes play important roles in the governance function. Paralysis can result if any mode, including generative thinking, is overused. The key is for a board to be able to seamlessly move between the three modes while maintaining respect for the role of the executive. The goal is maximizing mission accomplishment.

This book is useful to help church boards elevate their level of leadership and problem-solving. The potential of a board whose members are free to generatively collaborate to think at a higher level is unlimited. I can't think of a pastor who would want to unleash the effectiveness of his or her board, making this book a very powerful tool for church leadership everywhere.

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