

Nonprofit Executive Committees: Striking the Right Balance

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When nonprofit organizations had boards of 50, 80 or even 100 people, the actual work of the board was done by executive committees. This made sense because it is nearly impossible to have meaningful conversations in groups that large. Over the last decade, we have seen a progressive and beneficial trend of boards downsizing with most boards ranging from 13 to 23 members. Given these numbers, is there still a role for executive committees on nonprofit boards?

Highly accomplished and well respected leaders disagree on this matter. Some believe that executive committees continue to be the powerhouses of the board, while others think that they are a completely outdated and destructive model. We believe the truth is in the middle. The use and effectiveness of any executive committee depends on six factors: (1) the size of the board, (2) the scope of the executive committee's work, (3) the size of the executive committee, (4) the perception of its power by other trustees and administrators, (5) the engagement of trustees who are not on the executive committee, and (6) effective management of board and committee meetings.

The reality is whether or not your organization has a sanctioned "executive committee," every nonprofit we have worked with has had either an official or unofficial coalition of board leaders who serve as the executive director's and/or board chair's inner circle. Semantics aside, it's worth closely examining the benefits and risks of an inner circle or executive committee to determine how your organization can best utilize this group.

Where Executive Committees Can be an Asset

Depth of Understanding: The executive committee often has a better understanding than the board at large of how the organization works. In high functioning executive committees and boards, this better understanding does not occur because the board is being shut out of important conversations. Rather, this happens naturally when a small group spends more time together with the executive, and can take a deeper dive into an issue before it is shared with the entire board. In fact, this is the work of any board committee: tackle big issues and share the most salient points with the board whether they are questions, challenges, or progress. This process allows boards, in an efficient and thoughtful manner, to have the fullest understanding of the issues. It makes it possible to have broad, informed, and robust discussions about how issues can potentially impact the organization, its mission, and goals.

Beta Testers: Executive committees can be a fantastic beta testing ground. Perhaps the development director is presenting a new fundraising campaign to the board or the executive director needs to fire a beloved employee or a complicated financial picture needs to be explained to trustees who vary in their sophistication and understanding of complex finance. The executive committee can help determine what might be missing from a presentation, pose questions trustees are likely to ask, and uncover any points of confusion before such stumbling blocks derail constructive conversation at the board level.

Agenda Setters: It is often helpful to board chairs to have a group to review the agenda with and to be “eyes and ears” at both the committee level and in the community-at-large. This assists in making sure that key issues are brought to the surface and that many perspectives are heard.

Work that Doesn't Have a Home: The executive committee is a small and nimble group that is poised to take action around a particular issue when it doesn't fall squarely within another committee's or task force's domain. These issues can range from evaluating and selecting the three best offers to share with the board regarding a bank loan refinance to evaluating the engagement of a board consultant.

Emergent and Sensitive Issues: The executive committee is on-call and available to work with the executive director or board leaders on urgent or time-sensitive issues as well as issues that are sensitive in nature and require more discretion. This can be a life saver for organizations when such issues occur in-between regular board meetings.

Training Ground: For those in line for succession either formally or informally, the executive committee can be a source of mentorship and coaching. Having a small group setting can provide training ground and allow board members to develop their leadership skills.

Where Executive Committees Can Get in Trouble

Pre-deciding and Impeding Board Engagement: The problem we come across often in our work is that the executive committee can overstep its scope and serve as a separate, higher level board that pre-discusses and pre-determines every outcome. This can lead to a disengaged board with trustees who feel their skills are not well utilized and who feel they merely rubber stamp the work that the executive committee has already done.

The In-Crowd: Executive committees have great potential to become a close and closed group and can appear cliquy to the rest of the board. This can create a divisive feeling among trustees, a significant lack of trust, and separate coalitions within the board.

The Only Crowd: If the executive director is new or turns to the executive committee frequently, this can lead to the executive committee feeling burdened and overwhelmed. It also means the executive director isn't getting to know and leverage the work, wisdom and webs of the other board members to the fullest extent.

Executive Committee Best Practice

Assess the Need: Assess the size of your board and ask yourself "Could our board do all of the work it needs to get done, whether a crisis emerges or not, with both the number of trustees we have and the number of board and committee meetings we have each year?" If the answer is yes, your board is small enough such that the board and executive committee can be one and the same; after all, there is an enormous difference between a seven person board and a twenty-five person board. If the answer is no, all signs point either toward a complete structural overhaul or the need for an executive committee.

Acknowledge the Committee: Who does your executive director turn to regularly for advice and feedback. Is it just the board chair? A small group of people? If your executive director is consistently turning to a small group, you have an executive committee whether you call it one or not. Your organization can address this in two constructive ways: either name a designated executive committee or ensure that the executive director includes all trustees regularly for advice and feedback.

Right Size: Executive committees need to have the right number of members in proportion to the entire board. If a board has 11 or fewer people, truly, there is no need for an official executive committee. If a board has 23 people, it doesn't work if 12 of them serve on the executive committee. Consider who is essential to vetting significant issues before board meetings and who has potential to become future board leaders, then build an executive committee from there.

Define the Scope: It is essential to define the scope of the executive committee and the work it will do. Do this in partnership with the entire board so that trustees can weigh in on what work feels vitally important to all trustees, and what work should be allocated to the executive committee.

Having a small executive committee with a well-defined and limited role can support the board chair, the executive director and be an important backstop. A disproportionately powerful executive committee operating as a board within a board prevents empowering each board member to lead and contribute. Such an executive committee can negatively impact overall board culture and impede the engagement, development and commitment of other board members. These outcomes can be detrimental to the organization. The key is to strike the right balance for the executive committee so that each board member can grow and be cultivated, while new ideas and new leadership are developed.

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