



Creating and Sustaining a Strategic Board

A Strategic White Paper
for the Association Industry

“A genuine leader is not a searcher for consensus but a molder of consensus.”

Martin Luther King Jr.



CHICAGO, IL 35 East Wacker Drive, Suite 850 Chicago, IL 60601 312.224.2626

WASHINGTON, DC 1444 I Street, NW, Suite 700 Washington, DC 20005 202.216.9675

ONLINE Twitter: @associationlab www.associationlaboratory.com

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LETTER FROM THE PRESIDENT

Since 1999, Association Laboratory has helped associations make better strategic decisions.

When working on complex engagements like strategic planning or developing membership value propositions, the ability of the Board of Directors to think and, through the staff, act strategically has consistently resulted in superior decisions. Superior decisions mean superior outcomes.

We are happy to provide this peer-based white paper on *Creating and Sustaining a Strategic Board* to the association community. In particular, thank you to the 25 association leaders who participated in this research.

Association Laboratory helps associations make better decisions through qualitative and quantitative research and strategic planning. Understanding how to help you create and support a strategic board is critical to successfully providing these services.

The company is nationally recognized for its expertise and thought leadership in association research and strategy, serving a client base of leading state, national, and global professional and trade associations through offices in Chicago, IL, and Washington, DC.

I hope this report provides you with information that helps you lead your association more effectively. If we can ever be of assistance, never hesitate to contact us.

We look forward to working with you.

Dean West

Dean West
President and Founder
Association Laboratory Inc.



EXECUTIVE SUMMARY

Association Laboratory conducted qualitative research collecting feedback from 25 chief staff officers and senior association leaders. Initial information was collected via a distributed worksheet. Following development of the draft white paper, Association Laboratory used a modified Delphi approach to collect additional insight by incorporating two rounds of commentary into the white paper. The following summarizes key points from the research.

DEFINING A STRATEGIC BOARD

Defining the characteristics of a strategic board is critical to successfully creating and supporting one. Based on the research, the following characteristics describe a strategic board.

Future Focused — A strategic board understands and values the necessity of informed, future-focused strategic discussions.

Establishes, Prioritizes, and Monitors Goals and Interim Measurement Standards — A strategic board values establishing strategic goals and the corresponding standards or criteria relevant to overseeing implementation of strategies to achieve these goals.

Models Strategic Decision Making Competencies — A strategic board models critical thinking skills, objective analysis, and decision making. It challenges existing assumptions regarding the association's future role and corresponding business strategy within the industry or profession.

Promotes Accountability within the Board and in the Board/Staff Relationship — A strategic board values and supports an objective, accountable partnership with association management.

BARRIERS TO CREATING AND SUSTAINING A STRATEGIC BOARD

Participants were asked to identify what they believed were the most substantial challenges to creating and sustaining a strategic board. The most important challenges were the following.

- The Board of Directors is pressured to make poor decisions by external industry or professional influences.
- The Board of Directors is not composed of individuals with the necessary skills or competencies.
- Board members do not have appropriate expectations regarding their role on the board, or the role of the board within the organization.
- The association does not invest sufficient resources in the orientation, training, and ongoing support of a strategic board.
- The association is not led by a chief elected officer or chief staff officer with the commitment and competencies to sustain a strategic board.
- The association reinforces a culture that focuses on short-term, operational thinking and decision making and disincentivizes strategic thought and action.
- Associations operate governance systems that create substantial barriers to strategic decision making and the establishment of a strategic board culture.
- The association's operational or financial environment and support system is in flux.

SUCCESS FACTORS FOR CREATING AND SUSTAINING A STRATEGIC BOARD

Participants were asked to identify what they believed were success factors important to creating and sustaining a strategic board.

The most important factors were the following.

- Associations need to implement volunteer identification, recruitment, and development strategies that ensure a funnel of high-quality leadership into the association.
- Associations need to develop strategies to orient all volunteers to their role and the unique characteristics and corresponding expectations of a peer-to-peer decision making environment.
- Associations need to be led by a chief staff officer and management team that understands and models strategic thinking and can apply these competencies to their support of the board.
- The business processes of the association need to support the board's ability to make decisions within a strategic framework.
- Associations need to create and support a culture of personal and organizational accountability and continuous improvement.

The following outlines the barriers and potential success factors in more detail.

DEFINING A STRATEGIC BOARD

Defining the characteristics of a strategic board is critical to successfully creating and supporting one. Based on the research, the following characteristics describe a strategic board.

Future Focused — A strategic board understands and values the necessity of informed, future-focused strategic discussions.

“Until we identify what a strategic board looks like, we can’t know whether or not we’ve created one.”

*Dean West, FASAE
President
Association Laboratory*

A strategic board monitors and is knowledgeable about the future environment facing stakeholders and the association, and the implications of potential changes within this environment on stakeholder needs and association strategy.

This understanding is reflected by their commitment to allocate time to discuss the future of the profession or industry and how the association may impact the future.

Future focus is also reflected in the board’s awareness of, and appreciation for, enterprise risk in assessing and approaching the organization’s intended future. This includes balancing their vision of the future and the association’s role with the reality of the organization’s size, scope, and mission.

Establishes, Prioritizes, and Monitors Goals and Interim Measurement Standards — A strategic board values establishing strategic goals and the corresponding standards or criteria relevant to overseeing implementation of strategies to achieve these goals.

The strategic board defines and encourages successful outcomes. The board minimizes its focus on the “how” and prioritizes its time on the “what and why.”

A strategic board focuses on essential strategic priorities and has the confidence to invest sufficient resources in key initiatives while minimizing or eliminating programs and services no longer relevant to the association’s long-term mission, desired outcomes, or stakeholder needs.

Models Strategic Decision Making Competencies — A strategic board models critical thinking skills, objective analysis, and decision making. It challenges existing assumptions regarding the association’s future role and corresponding business strategy within the industry or profession.

A strategic board supports a culture of innovation, and fosters collaboration both within the board and in the relationship of the board to association executive management. The board self-monitors their performance as a decision making body.

Promotes Accountability within the Board and in the Board/Staff Relationship — A strategic board values and supports an objective, accountable partnership with association management.

A strategic board reinforces a culture of accountability among board members and values the necessity of delegating the implementation of association programs, services, and initiatives to staff leadership.

BARRIERS TO CREATING AND SUSTAINING A STRATEGIC BOARD

KEY TAKEAWAYS

Participants were asked to identify what they believed were the most substantial challenges to creating and sustaining a strategic board. The most important challenges were the following.

- The Board of Directors is pressured to make poor decisions by external industry or professional influences.
- The Board of Directors is not composed of individuals with the necessary skills or competencies.
- Board members do not have appropriate expectations regarding their role on the board, or the role of the board within the organization.
- The association does not invest sufficient resources in the orientation, training, and ongoing support of a strategic board.
- The association is not led by a chief elected officer or chief staff officer with the commitment and competencies to sustain a strategic board.
- The association reinforces a culture that focuses on short-term, operational thinking and decision making and disincentivizes strategic thought and action.
- Associations operate governance systems that create substantial barriers to strategic decision making and the establishment of a strategic board culture.
- The association's operational or financial environment and support system is in flux.

Without assessing and developing intentional strategies to address these challenges, strategic board development is difficult. The following describes these key takeaways in more detail.

EXTERNAL INDUSTRY OR PROFESSIONAL DYNAMICS

The Board of Directors is pressured to make poor decisions by external industry or professional influences.

No board or board member acts in a vacuum. There are external forces that influence the board's ability to research and discuss critical issues and make important strategic decisions on behalf of the association.

The following are examples of some of these influences.

- **Association competition** — other trade and professional associations active within the association's sphere of influence will impact how decisions are made.

“It is important to understand the environment in which you operate and how this matches to your needs and board skill set.”

*Cynthia Simpson, MEd, CGMP, CAE
Chief Business Development Officer
Association for Women in Science*

- **Private sector influence** — some industries or professions may be substantially dominated by a single or small group of companies due to their professional influence or company size. These individual organizations often have an outsized influence on the decisions of the association.
- **Personal competition** — members of the board may represent highly competitive organizations, or possess strong regional or local biases, making it difficult to work together openly and honestly.

BOARD COMPOSITION AND COMPETENCE

The Board of Directors is not composed of individuals with the necessary skills or competencies.

In its purest form the Board of Directors is a decision making body.

This body relies on the staff executives, board volunteer leadership, and members of the board being willing and able to take part in strategic conversations and decision making. If any of these three components are incapable of strategic decision making, the Board of Directors, as a decision making entity, is less effective.

Too often, the board consists of individuals who are selected for reasons other than their ability to contribute to and sustain strategic board decision making.

“It is critical to think about the types of people you want to see sitting around your board table. You need people who see the big picture, are open to new ideas and who support what the board is trying to do.”

*Michelle Zinnert, CAE
Executive Director
American Urogynecologic Society*

Common reasons include the following.

- **Longevity** — board members are selected for their longevity within the association or their historical experience as a volunteer.
- **Professional acclaim** — board members are selected for their prominence in the profession.
- **Industry power** — board members are selected for their title or the influence of their company within the industry.
- **Demographics** — board members are selected to fulfill a personal (e.g., young professional), professional (e.g., consultant), or industry (e.g., exhibitor) demographic, without regard for their competence.
- **Popularity** — board members are selected via popular vote of the membership.
- **Politics** — board members are selected because of their internal industry, professional, or association network.

In order to be successful in any role or job a person needs a fundamental skill set relevant to the needs of this role or job.

Unfortunately, members of the board often lack the education, experience, or leadership competencies to be successful on a strategic board. Their personal work experience acts as a default for their board behavior, and may be inconsistent with the needs of the board and their role as a board member.

This lack of competency takes some of the following forms.

- **Education** — little or no formal education in finance, marketing, or other business domains critical to the decision making needs of the board.

- **Strategic experience** — limited experience establishing or participating in future-oriented strategy discussions.
- **Work experience** — lack of prior work experience in the collaborative work environments that characterize many boards.
- **Governance experience** — insufficient knowledge about the role of governance in associations.

With little or no training in the business domains critical to success or experience within the decision making environment common to the board, it is not surprising that many members of the board struggle in their role as leaders.

EXPECTATIONS MANAGEMENT

Board members do not have appropriate expectations regarding their role on the board, or the role of the board within the organization.

The personal work role and experience of a new board member is often substantially different than the role expected of them when they join the board. This perception is influenced by their volunteer and work experience.

New members of a board often join with preconceived notions of their personal role on the board and the board's role within the association based on their previous experience with the association.

For example, if previous volunteer involvement focused on the membership experience, then membership issues may play a dominant role in the perspective of the board member. If experience was in a tactical or "hands on" committee, the board member may expect, and be most comfortable with, a tactical approach to their board role.

These preconceived notions influence how they act as leaders and may be inconsistent with their actual role or the needs of the board at that time.

In addition, the work environment of board members shapes their behaviors as volunteer leaders. For example, a board member without substantial management experience in the workplace may see their role as a board member very differently than a board member with substantial experience in this area.

Appropriate time commitment expectations are also important. Besides expertise, board member positions require time and a willingness to truly prepare for the discussions. Board members with unrealistic expectations about the time commitment required may be less likely to contribute meaningfully to the strategic decision making process.

With volunteer and work experiences that do not provide a strong foundation of strategic leadership skills and expectations, even the best-intentioned board member can struggle to be successful within the board decision making environment.

LACK OF RESOURCES TO SUPPORT A STRATEGIC BOARD

The association does not invest sufficient resources in the orientation, training, and ongoing support of a strategic board.

Strategic boards require a sufficient level of sustained resource investment in order to be successful. Too often associations fail to adequately invest in strategic board development. Many associations are "trapped" in an annual governance, planning, and budgeting cycle that incentivizes short-term thinking. As a result, long-term investment in a strategic board suffers.

Investment falls short in two essential components of strategic board leadership:

1. The training and orientation of board members.

The board does not allocate sufficient time or financial resources to activities designed to orient and train the board in strategic decision making. This results in board members who are not prepared to participate in strategic decision making activities.

2. The long-term support of strategic decision making activities.

The board does not allocate sufficient time or financial resources to the activities necessary to build the board's experience with and competency for strategic decision making. The insufficient time investment may include a lack of research informing board discussions or insufficient time spent discussing strategic issues on the agenda.

It is challenging to create and sustain a strategic board when insufficient support is provided, or if the staff has a history of poor performance supporting the board. Examples include the following.

- Poor research and/or monitoring of environmental trends to inform strategic discussions.
- Poor reporting of financial or operational data which reduces staff credibility and forces the board to concentrate on operational monitoring and staff oversight.
- Poor personal relationships and a lack of empathy between board members and staff (whether from infrequent or low-quality interactions) which reduces the likelihood of productive discussion.

Every outcome of the association is impacted by the board's ability to make good decisions and sustain this organizational commitment to strategic decision making over time. Without investing sufficient resources in the board's ability to make better decisions, it is difficult to improve on the association's desired outcomes.

SENIOR VOLUNTEER AND STAFF LEADERSHIP COMPETENCIES

The association is not led by a chief elected officer and chief staff officer with the commitment and competencies to sustain a strategic board.

Successful strategic boards require effective leadership. Too often the chief elected leader, central to the effective operation of the board, is either not committed or incapable of sustaining strategic decision making activities. This may be due to the person's education, experience, or attitude.

In addition, without a chief staff officer who is able to competently sustain the activities necessary for a strategic board and use the staff team to effectively support strategic decision making, it is difficult to sustain the environment necessary for a strategic board to succeed. For example, a board may struggle to maintain strategic focus if it is also tasked with managing a relationship with a chief staff officer whose actions and intentions are not transparent and clearly communicated.

Alternately, a chief staff officer may be too timid to question orthodoxy, thereby discouraging and undermining board efforts to use innovative thinking. Or a chief staff officer may simply lack time to support a strategic board due to operational or financial challenges within the association.

For a strategic board to operate successfully, both board leadership and staff leadership must be willing and able to prioritize the components of forward-thinking strategic thought.

CREATING AND SUSTAINING A STRATEGIC DECISION MAKING CULTURE

The association reinforces a culture that focuses on short-term, operational thinking and decision making and disincentivizes strategic thought and action.

“Sometimes, influential leaders oppose change because they consider it a rejection of the ways that enabled the association to grow.”

*Rosa Aronson, PhD, FASAE, CAE
Executive Director
TESOL International Association*

Boards often have decision making cultures that are inconsistent with or disincentivize strategic thought. The following highlights some of these cultural characteristics.

- **Personality styles** — board members or staff may have personal styles or agendas that are more likely to focus on operational or tactical details, and have a limited interest in strategic thought.
- **Internal disincentives** — board members or staff may be hesitant to change, fearing political or employment repercussions from within the association.
- **External disincentives** — board members or staff may be hesitant to change due to concerns about the perceptions of external stakeholders in the industry or profession.
- **Legacy issues/tradition** — board members or staff may be hesitant to change because of legacy issues, for example, the elimination of a program that has been historically popular or the modification of a board or leadership “perk” that no longer meets the needs of the association.

Too often, members of the board or staff lose focus and become distracted by tactical challenges or desires that limit their ability to remain focused on strategic issues.

A board that allows personality and legacy issues to drive its culture and fails to address disincentives to change will struggle to establish itself as a future-focused, strategic decision making body.

GOVERNANCE SYSTEMS AND SUPPORT

Associations operate governance systems that create substantial barriers to strategic decision making and the establishment of a strategic board culture.

Many associations have governance systems that do not support a strategic board. Characteristics of these systems include the following.

- **Board recruitment** — the association does not have a formal or effective board member identification and recruitment system.
- **Board orientation/training** — the association does not properly orient board members in their role or train them in strategic thinking activities.
- **Board support** — the board is not properly supported in strategic thinking activities through research or appropriate operational and financial support.

“If board members continue to be selected because of their service to the organization, popularity, or representation of a segment rather than their strategic thinking abilities, we will continually struggle to focus their attention at a strategic level.”

*Christie Tarantino, FASAE, CAE, MPA
Executive Vice President & CEO
Institute for Food Technologists*

- **Governance systems** — the association has outmoded bylaws that inhibit the identification and recruitment of board members essential to a strategic board.
- **Governance hierarchy** — associations frequently establish hierarchies of volunteer leadership that create a premise that one climbs the leadership ladder.

A challenge to creating and sustaining a strategic board is the existence of a governance system with structural barriers to strategic thought and action.

Additional governance challenges faced by associations include the following.

- **Board member terms** — board composition is dynamic as new members are selected and more senior members rotate off. This means the most knowledgeable and experienced members of the board leave each year. Without mechanisms to moderate this loss, the board loses focus or makes suboptimal decisions. In addition, substantial resources have to be invested in bringing new members up to speed.
- **Dynamic leadership** — when the chief elected leader changes, the focus of the board often changes. While this can sometimes represent an opportunity for growth, too often the transition results in a loss of focus or short-term change in direction as the new leader pursues their agenda.
- **Committee structure** — poorly structured committees do not prepare people for future board service, and by not conducting committee work properly, provides the board with recommendations that result in suboptimal decisions. The result is often too much work for the board since they don't trust the committee action.
- **Board agenda** — board agendas are often structured to focus discussion on operational or action items only, or on short-term, tactical priorities.

“Associations frequently establish hierarchies of volunteer leadership that create a premise that one climbs the leadership ladder. Only when board service is viewed as a unique role, one requiring skills, behaviors and experiences that reflect strategic mindsets, can that pattern change.”

*Randi Mayes
Executive Director
International Legal Technology Association*

Without governance systems that support strategic decision making, it is difficult to create and sustain a strategic board.

ASSOCIATION OPERATIONAL SITUATION AND SUPPORT

The association's operational or financial environment and support system is in flux.

A challenge to creating and sustaining a strategic board is a poor financial or operational situation which forces the board to continually react to or address short-term financial, competitive, or other challenges.

The board cannot think and act strategically when it faces substantial threats to its survival, acting in an environment of financial or operational uncertainty or without sufficient support by staff.

Financial or operational uncertainty can take some of the following forms.

- **Staff turnover** — substantial turnover in the staff of the association or the departure of the chief staff officer creates challenges to sustaining a strategic board because essential staff support is threatened.
- **Staff competencies** — without a staff that has the competency to support strategic decision making activities through quality research, analysis, and facilitated discussions, creating and sustaining a strategic board is challenging.
- **Operational dysfunction** — an association that has not demonstrated the ability to successfully implement strategy creates distrust within the board that inhibits the boards' ability to pursue strategic decision making activities because they must focus on operational oversight.
- **Financial challenges** — an association that struggles to consistently achieve sufficient net cash flow, due to external or internal circumstances, will struggle to create an environment conducive to a strategic board because volunteer leaders will focus on short-term financial objectives.

Without a positive operational and financial situation, creating and sustaining a strategic board is difficult. A lack of net cash resources, poor competitive positioning, insufficient staff support, or substantial challenges to providing membership value are all situational examples of short-term problems that reduce board time and energy spent on strategy.

SUCCESS FACTORS FOR CREATING AND SUSTAINING A STRATEGIC BOARD

KEY TAKEAWAYS

Participants were asked to identify what they believed were success factors important to creating and sustaining a strategic board. The most important factors were the following.

- Associations need to implement volunteer identification, recruitment, and development strategies that ensure a funnel of high-quality leadership into the association.
- Associations need to develop strategies to orient all volunteers to their role and the unique characteristics and corresponding expectations of a peer-to-peer decision making environment.
- Associations need to be led by a chief staff officer and management team that understands and models strategic thinking and can apply these competencies to their support of the board.
- The business processes of the association need to support the board's ability to make decisions within a strategic framework.
- Associations need to create and support a culture of personal and organizational accountability and continuous improvement.

By developing intentional strategies to address these areas, the association can improve the likelihood of creating and sustaining a strategic board of directors.

IDENTIFY, RECRUIT, AND DEVELOP STRATEGIC BOARD MEMBERS

Associations need to implement volunteer identification, recruitment, and development strategies that ensure a funnel of high-quality leadership into the association.

A challenge for many associations is that they don't begin the board orientation and training process until the person arrives at their first board meeting.

Every member is a potential volunteer, and every volunteer, on their first day or at their first activity, is a potential future board member.

The research identified a reactive attitude towards board composition. Board members were expected to be strategic thinkers, despite having never before been asked by the association to fulfill this role. In addition, little orientation, training, or support was provided to enable success in this role.

A successful volunteer identification, recruitment, and development strategy treats volunteering as a long-term process which prepares volunteers from the very beginning for a potential leadership position.

Key stages include the following.

- 1. Prospective volunteer** — do the individuals you seek out for volunteer roles meet the needs of the association? Can staff identify where a given member might be a good fit as a volunteer?

- 2. Trial volunteer** — does the performance of a person participating in their first volunteer activity reflect the behaviors and organizational values necessary to be successful in a decision making environment?
- 3. Established volunteer** — does the person have particular strengths and weaknesses that need to be supported or addressed?
- 4. Board eligible** — does the person model strategic decision making behaviors and can these behaviors be improved or incentivized?
- 5. Board member** — does the person understand their role on the board and the board's role within the association?
- 6. Volunteer officer** — does the person understand how the role of board leader is different from board member?
- 7. Chief elected officer** — does the person understand the roles and responsibilities and exhibit attributes of an effective chief elected officer?
- 8. Post volunteer** — does the person understand how to use their experiences to mentor future volunteer leaders within the association?

To create and sustain a strategic board, an association should develop specific strategies to address these questions through each stage of the volunteer experience.

The preparation of a board member who acts successfully as a participant in a strategic board begins the day they first become a volunteer, not the day they become a board member.

The further upstream in the volunteer experience you begin to solve the problem, the more likely you are to have a substantial pool of board eligible volunteers prepared to work successfully in a strategic decision making environment.

COMMUNICATE VOLUNTEER AND BOARD ROLES, RESPONSIBILITIES, AND EXPECTATIONS

Associations need to develop strategies to orient all volunteers to their role and the unique characteristics and corresponding expectations of a peer-to-peer decision making environment.

The peer-to-peer decision making environment of an association is often very different from the more hierarchical decision making environment people experience in the workplace.

As a result, greater emphasis needs to be placed on orienting people to the differences in this environment and how their role as a volunteer changes as they progress through the governance channel.

Critical questions in this area relate to the volunteer entity within which people will operate and their role within that entity.

Volunteer entities:

- **Committee/task forces** — what are the roles and responsibilities of committees, task forces, or other volunteer bodies that are separate from the board? Why are they important to the association and how do they relate to the association's strategic goals? What parameters guide their activities? How will the success of a committee or task force be determined?
- **Board of Directors** — what is the purpose of the board and how does it differ from and relate to committees/task forces? How will the success of the board be determined?

Volunteer roles:

- **Volunteer roles and scope** — what is the role of the volunteer on behalf of the association? For example, does the volunteer function as a worker who does staff work? An advisor to staff? A subject matter expert? What is included within the volunteer scope of work and what is excluded? How will the behaviors or contributions of a volunteer be evaluated? How are volunteers supported by the association?
- **Board member roles and scope** — what is the role of a board member? How is it similar to or different from other volunteer roles? How are the activities of a board member supported by the association? What kind of time commitment is required to make a meaningful contribution?
- **Board leader** — what is the role of a board leader and how is it different from other roles? What are the parameters within which a board leader can take or direct action?

Providing volunteers with appropriate expectations of their role, and training them to fulfill these expectations, is a critical component of a strategic board.

DEVELOP A STRATEGIC STAFF TEAM

Associations need to be led by a chief staff officer and management team that understands and models strategic thinking and can apply these competencies to their support of the board.

A strategic staff is a necessity for a strategic board of directors.

Without staff leadership managing the association business processes that support strategic thought and action, the dynamic nature of volunteer leadership will make maintaining a strategic board very difficult. The chief staff officer provides the corporate memory of the board as an institution as board members come and go, and can help ensure that strategic planning remains a priority across changing board leaders' tenures.

Important attributes of a strategic staff include the following.

- **Personal commitment to strategic decision making** — establishing a strategic board of directors, and the corresponding business processes that sustain this board, is a long-term process. The staff must be committed to the goal of a strategic board and have the patience to work through challenges or setbacks.
- **Experience modeling strategic decision making** — management staff need to be recruited who have demonstrable experience with strategic and critical thinking skills and supporting volunteer leaders in a strategic decision making environment. If staff leaders operate mostly in the tactical mode, it is less likely they will be successful supporting a strategic board.

Without a staff leader and management team that understands and supports the value of a strategic board and that has the skills to help board members in their strategic role, the creation of a strategic board is less likely to be successful or sustainable.

SUPPORT STRATEGIC DECISION MAKING WITH BUSINESS PROCESSES

The business processes of the association need to support the board's ability to make decisions within a strategic framework.

In order for a strategic board to operate successfully within a dynamic strategic decision making environment, supporting business processes must be present within the association.

Developing and sustaining business processes that support strategic decision making has the following benefits.

- **Support culture development** — business processes that support a culture of inquiry and accountability reinforce positive behaviors that, over time, become habits.
- **Improve effectiveness** — by creating specific business processes to support strategic decision making, the association can invest staff and financial resources more effectively.
- **Improve sustainability** — as an organization's staff and volunteer leaders come and go, established business processes survive these changes and provide future leaders and staff with a framework for continued strategic decision making.

The following are examples of business processes designed to support a strategic board and strategic decision making.

- **Future-focused research** — conduct research activities routinely over time which are designed to educate the board on potential changes facing the industry or profession. Examples include an annual environmental scan or consistent investigation of the market and potential market value propositions.
- **Strategic planning** — the strategic planning process, if done continually rather than episodically, can be used as a means of fostering strategic dialog.
- **Agenda management** — routinely allocate time on the board agenda to discuss the future of the association, profession, or industry. For example, an association could devote two hours of each board agenda to strategic issues, or a single board meeting each year could be used to foster a dialog on strategic issues.
- **Decision making rules** — clearly establishing and agreeing on rules for how decisions are made up front increases buy-in and commitment to those decisions, both over time and across various staff and volunteer entities.
- **Team building exercises** — use exercises to build familiarity, understanding, respect, and trust, both among members of the board and between board members and staff, to improve the likelihood and value of strategic discussions. People need to be comfortable discussing complex, difficult topics where different frames of reference and potential disagreement may be common.
- **Nominating function** — design and support a board process to identify, evaluate, and select individuals who are more likely to be successful in a strategic decision making environment. Educate the nominating committee about the value of a strategic board and provide them with tools, such as a skills matrix, allowing them to more objectively evaluate potential candidates on their applicability to a strategic board.

“Define the board roles and expectations up front; we do a one-day orientation. Build a culture of high-level conversations through a strategic agenda, bring in consultants to challenge patterns and the status quo, and make sure the staff are doing the right things so there isn't a need for the board to focus on administration.”

*Deborah Hamlin, CAE, FASAE
Chief Executive Officer
Irrigation Association*

- **Evaluate and incentivize strategic decision making** — document the board’s improvement as a strategic decision making entity and map this improvement to the association’s success. Tools such as the ASAE/BoardSource Board Self-Assessment tool can be useful. New board members need to understand the strategic work done prior to their joining the board so that they respect its value and can continue to improve.

CREATE AND SUSTAIN A CULTURE OF ACCOUNTABILITY AND CONTINUOUS IMPROVEMENT

Associations need to create and support a culture of personal and organizational accountability and continuous improvement.

A strategic board is a decision making body continually focused on the future and applying the insights and learning from their discussions to today’s decisions. This is a dynamic responsibility that requires the board to continually learn and adopt the lessons gained from this learning.

Each member of the board and the staff needs to be personally accountable for this evolving role and hold other participants accountable for preparation, dialog, and eventual outcomes.

There are a variety of tools to assist associations with developing a culture of accountability, including but not limited to the following.

- **Outcome clarity** — define clear, measurable goals and identify the value that achieving these goals will deliver to the association and its stakeholders, to provide a clear benchmark of success.
- **Agenda design** — use the board agenda to focus the board’s attention on issues of strategic importance vs. operational or tactical focus.
- **Strategic plan** — use the strategic plan as a communication vehicle to articulate goals, strategies, and the parameters within which decisions need to be made longitudinally (across time) in order to sustain long-term decisions and a dynamic board composition.
- **External voices** — expose the board to external and diverse voices providing a range of perspectives and frames of references on the issues important to the profession or industry.
- **Board self-assessment** — implement a formal process to review the board’s performance and make adjustments in how the board is informed on, discusses, and makes decisions relative to the association.
- **Chief staff officer assessment** — implement a formal process to review the performance of staff leadership based on an established, agreed-upon set of criteria.

This list is not all inclusive and associations should investigate other governance and leadership resources for additional ideas. When an association and its leadership team make an effort to incorporate these or similar tools into their board leadership culture, the likelihood of success in creating and sustaining a strategic board improves.

CLOSING

Despite the identified challenges, the research suggests that associations which develop and sustain strategic leadership decision making bodies are well positioned to be successful in an increasingly complex and competitive world.

As competition for the time, attention and interest of our community's best leaders grows more intense, the ability of an association to develop a compelling leadership funnel becomes a long term strategic priority necessary for successfully achieving mission-based and business goals.

Modern associations, and their leaders, will create intentional, thoughtful strategies to foster a leadership experience that is attractive to the best and brightest of our professions and industries and will consider the support of these strategies an essential organizational core competency.



APPENDIX 1: RESOURCES ON BOARD LEADERSHIP

Participants in the research were asked to identify potential books, websites, or other sources of information they found helpful when making decisions on leadership, governance, or in leading their Board of Directors.

The following lists these identified resources.

ASSOCIATION LABORATORY RESOURCES

Association Laboratory produces a wide variety of strategic white papers on issues of importance to the association community. These can be accessed free of charge at the company website. Some relevant current titles are listed below.

Association Laboratory has authored multiple chapters for professional publications including the following at www.asaecenter.org.

- The chapter on Membership Research for the ASAE book, *Membership Essentials*
- The chapter on Marketing Professional Development Programs for the ASAE book, *Core Competencies in Professional Development*
- The chapter on Components and Strategic Planning for the ASAE book, *Component Relations Handbook*

Association Laboratory collaborates with association leaders to produce peer-based white papers on key association strategic topics. Recent white papers can be found at www.associationlaboratory.com.

- *Looking Forward™* — an annual environmental scan of the association business environment and the corresponding implications for association strategy.
- *The Future of Association Engagement* — a white paper developed in cooperation with the ASAE Foundation, outlining how the future business environment shapes engagement decisions and highlighting potential strategies for improved member engagement.
- *Leading Strategic Change in Associations* — a white paper outlining the diagnosis and management of strategic change in associations and the barriers to making this change a reality.
- *Global Engagement Models* — a white paper outlining key challenges in developing global engagement strategy and potential solutions to these challenges.
- *Engaging Young Association Members* — a white paper on the challenges, success factors, and implementation barriers to engaging younger professionals with associations.
- *Strategic Fundraising and Partnerships* — a white paper on the development of sustained association and industry commercial partnerships.
- *The Future of Components* — a white paper on the changing environment surrounding chapters and nongeographic components.

AUTHOR-IDENTIFIED RESOURCES

Contributing authors were asked to identify resources they found useful in guiding strategic leadership efforts.

Books

The following is a list of books identified by contributing authors, in no particular order.

- *Race for Relevance: 5 Radical Changes for Associations*
by Harrison Coerver and Mary Byers (ASAE Association Management Press, 2011 [1st ed.])
- *Good to Great and the Social Sectors: Why Business Thinking is Not the Answer*
by James C. Collins (Harpercollins, 2005)
- *The Road to Reinvention: How to Drive Disruption and Accelerate Transformation*
by Josh Linkner (Jossey-Bass, 2014 [1st ed.])
- *Getting Innovation Right: How Leaders Leverage Inflection Points to Drive Success*
by Seth Kahan (Jossey-Bass, 2013 [1st ed.])
- *Blue Ocean Strategy: How to Create Uncontested Market Space and Make Competition Irrelevant*
by W. Chan Kim and Renee Mauborgne (Harvard Business Review Press, 2005 [1st ed.])
- *7 Measures of Success: What Remarkable Associations Do That Others Don't*
by ASAE (Jossey-Bass, 2013 [revised and updated edition])
- *Flash Foresight: How to See the Invisible and Do the Impossible*
by Daniel Burrus with John David Mann (HarperBusiness, 2011)
- *Boards That Deliver: Advancing Corporate Governance from Compliance to Competitive Advantage*
by Ram Charan (Jossey-Bass, 2005 [1st ed.])
- *Nonprofit Governance: Innovative Perspectives and Approaches*
edited by Chris Cornforth and William A. Brown (Routledge Contemporary Corporate Governance, 2013)
- *Transformational Governance: How Boards Achieve Extraordinary Change*
by Beth Gazley and Katha Kissman (Jossey-Bass, 2015 [1st ed.])
- *The Will to Govern Well: Knowledge, Trust, and Nimbleness*
by Glenn H. Tecker, Jean S. Frankel, and Paul D. Meyer (ASAE Association Management Press, 2002 [1st ed.])
- *Governance as Leadership: Reframing the Work of Nonprofit Boards*
by Richard P. Chait, William P. Ryan, and Barbara E. Taylor (BoardSource/Wiley, 2005)

Organizations

The following is a list of organizations found to be useful by contributing authors.

- **American Society of Association Executives** (www.asaecenter.org)

ASAE represents more than 21,000 association executives and industry partners representing more than 9,300 organizations. ASAE members manage leading trade associations, individual membership societies and voluntary organizations across the United States and in nearly 50 countries around the world.

ASAE publishes a variety of books on leadership, governance and other association issues. In addition, they produce the Symposium for Chief Staff Executives and Chief Elected Officers which is designed to improve the working relationship between the chief staff and elected leaders.

- **BoardSource** (www.boardsource.org)

BoardSource is dedicated to advancing the public good by building exceptional nonprofit boards and inspiring board service. BoardSource's global network of more than 100,000 leaders represents a broad and diverse cross-section of the nonprofit sector.

BoardSource is focused on those organizations that share a belief in the power of nonprofit organizations and leaders to advance the public good and that are working to create positive change in their communities and our world more broadly.

APPENDIX 2: PARTICIPATING AUTHORS

Association Laboratory would like to thank the following contributing authors who participated in the research and provided a review and commentary on this white paper.

Michelle D. Zinnert, CAE

Executive Director
American Urogynecologic Society
Washington, DC

Deborah M. Hamlin, CAE, FASAE

Chief Executive Officer
Irrigation Association
Fairfax, VA

Mary Roth, ARM

Executive Director
RIMS, the risk management society™
New York, NY

Ed Salek, CAE, MA, MBA

Executive Director
Society of Tribologists and Lubrication Engineers
Park Ridge, IL

Cynthia L. Simpson, MEd, CGMP, CAE

Chief Business Development Officer
Association for Women in Science
Alexandria, VA

Tom Morrison

Chief Executive Officer
Metal Treating Institute
Jacksonville, FL

Janet Bandows Koster, CAE, MBA

Executive Director & CEO
Association for Women in Science
Alexandria, VA

Randi Mayes

Executive Director
International Legal Technology Association
Austin, TX

Chris McEntee, FASAE, BSN, MHA

Executive Director
American Geophysical Union
Washington, DC

Jerry Reid, PhD

Executive Director
The American Registry of Radiologic Technologists
St. Paul, MN

Christie Tarantino, FASAE, CAE, MPA

Executive Vice President & CEO
Institute for Food Technologists
Chicago, IL

Daniel C. Borschke, FASAE, CAE, MA

Executive Vice President
National Association of Concessionaires
Chicago, IL

Glenn Fine, MBA

Executive Vice President
Clinical Laboratory and Standards Institute
Wayne, PA

Henry Chamberlain, FASAE, CAE, APR

President and Chief Operating Officer
BOMA International
Washington, DC

Mark Engle, FASAE, MBA, DM

Principal
Association Management Center
Chicago, IL

Wes Ehrecke, FASAE, CAE

President & CEO
Iowa Gaming Association
West Des Moines, IA

Mike Mabry, MA

Executive Director
Radiology Business Management Association
Fairfax, VA

Marty Rotblatt, CAE, IOM

President & CEO
Association Resources, Inc.
West Hartford, CT

Sue Pine

Vice President of Professional Development
AH
Mount Laurel, NJ

Scott Wiley, CAE, FASAE

President & CEO
Ohio Society of CPAs
Columbus, OH

Rosa Aronson, PhD, FASAE, CAE

Executive Director
TESOL International Association
Alexandria, VA

Barbara Byrd Keenan

Executive Director & CEO
Endocrine Society
Washington, DC

Ty E. Gable, FASAE, CAE

President & CEO
National Precast Concrete Association
Carmel, IN

Alfons Westgeest

Group Vice President & Managing Partner
Kellen
Brussels, Belgium

Cecilia Sepp, CAE

President & CEO
American College of Health Care Administrators
Alexandria, VA

APPENDIX 3: PRINCIPAL AUTHORS

Dean West, FASAE

President, Association Laboratory Inc.
dwest@associationlaboratory.com
Main Line: 312.224.2626
Chicago, Illinois

Dean West is one of the nation's most recognized experts on association strategy. He is a Fellow of the American Society of Association Executives and former association CEO. He has served as Chairman of the ASAE Professional Development Council and as a member of the ASAE Membership Council. He is also a former member of the Board of Directors of the Association Forum of Chicagoland.

Meg Whedbee, MPP

Analyst and Editor, Association Laboratory Inc.
mwhedbee@associationlaboratory.com
Main Line: 312.224.2626
Oakland, California

Meg Whedbee has her baccalaureate in economics and her master's degree in public policy. She has worked with a variety of industries ranging from health care to education. She specializes in the assimilation and communication of complex policy and strategy issues.

Association Laboratory is a consulting firm specializing in research and strategy for associations.

The company has been advising associations since 1999 and currently serves clients through offices in Washington, DC and Chicago, IL.

The company has established a national reputation helping associations deal with complex strategic questions including membership, education, meetings and component strategy. Association Laboratory is a full service qualitative and quantitative research company offering a complete suite of investigative, validation and modeling tools customized to the needs of associations.

For more information, visit the company's website at www.associationlaboratory.com.



CHICAGO, IL 35 East Wacker Drive, Suite 850 Chicago, IL 60601 312.224.2626

WASHINGTON, DC 1444 I Street, NW, Suite 700 Washington, DC 20005 202.216.9675

ONLINE Twitter: @associationlab www.associationlaboratory.com