# WHY BOARDS MICROMANAGE
## and What You Can Do About It

**Boards that micromanage pay too much attention to details and don't focus on the big picture.** While all board and staff relationships vary, and governance responsibilities change from organization to organization, it is important for all board members to understand their role as fiduciaries and how that differs from the role of staff. Occasionally, even the most disciplined boards step out of their governance roles and engage in the actual operations of the organization, forgetting that the CEO/executive director is responsible for daily organizational management based on guidelines set by the board.

Understanding some of the most common reasons why boards micromanage can help boards balance their responsibilities appropriately and practice macrogovernance and avoid micromanagement.

### WHY BOARDS MICROMANAGE

**Legal requirements**
To "ensure legal and ethical integrity," one of the ten basic responsibilities of nonprofit boards, board members stray into management to ensure the organization is fully legally compliant.

**Solution:** Set aside time during meetings for the chief executive to report on key areas in which the organization is or is not compliant with legal regulations (e.g., periodic status updates on the organizational audit and Form 990). Once the board is fully informed, it can brainstorm solutions to any glaring issues or ways to ensure continued compliance. Dashboard reports can provide an overview of an organization's finances and allow board members to review and ask questions to ensure they are sufficiently performing their fiduciary duties. Involving the chief executive and staff members in preparing dashboard reports ensures that while board members are kept up to date on pertinent legal issues — and are able to suggest continued action when necessary — it is staff members who implement solutions and are responsible for presenting updates at subsequent meetings.

**Operational responsibilities**
Certain board responsibilities that go beyond oversight, such as raising money, influencing public policy, or recruiting and evaluating the chief executive, can be confusing for board members and lead to micromanagement.

**Solution:** Regular conversations with the chief executive as well as approved policies about the board's role as it relates to those responsibilities can help ensure the board does not stray too far into management territory. A strong partnership between the board chair and chief executive is essential. A succession plan clarifies the board's role and responsibilities as they relate to chief executive transition.

**Lack of staff**
Recently formed or smaller organizations may require board members to take on a management role to compensate for less operational capacity.

**Solution:** Even with fewer staff members, it is important for board members to pay specific attention to strategy and long-term thinking with an eye towards increasing staff resources and eliminating or lessening the board's management responsibilities. Board members should be aware that their role requires them to wear two hats — one for their management responsibilities and another for governance — and must be adept at distinguishing between the two roles and switching back and forth as necessary. To help eliminate confusion, some boards schedule back-to-back meetings, with one focused on governance and the other on operational issues.

**Board is structured along management lines.**
Committees that duplicate a nonprofit's organizational chart invite micromanagement by replicating staff roles and incorrectly emphasizing areas of focus for the board.

Solution: Review board committees often. The committee structure of the board should reflect the strategic priorities of an organization. Time-bound task forces for specific projects are useful for focusing members' attention on the development of an initiative rather than its implementation.

**Board meeting focus on operations, not strategic thinking.**
If a board's meeting time is not used strategically and is taken up with committee and staff reports, it is easy for the board to focus on operational issues and lose sight of big-picture goals.

Solution: The chief executive and board chair should work together to ensure board meeting agendas encourage strategic thinking and macrogovernance and should solicit feedback from board members after each meeting. While boards should strive to meet more frequently than the one annual meeting often required by law, they should not be meeting so often as to deter attendance and eliminate strategic discussion. According to BoardSource's Recommended Governance Practices, a variety of factors (e.g., board size, reliance on committee work, length of meetings, lifecycle position of the organization, geographical constraints) should be considered when a board is rethinking its meeting schedule. In short, the board must meet often enough to ensure it fulfills its fiduciary responsibilities without compromising its efficiency.

**Board members have trouble transitioning their business skills and their daily focus on management to governance.**

Board members are often recruited for their business skills to round out the board's areas of expertise and ability to provide informed oversight in a wide variety of areas. Many board members also have day jobs that require them to manage projects. With much of their professional lives dedicated to management, it can be difficult for board members to flip the governance switch when entering the boardroom. Some members also enjoy the immediate and tangible sense of accomplishment that comes with management. Effective governance may not show results for some time.

Solution: Make it clear to candidates during the recruitment process that while they may be asked to provide information and insight on their areas of expertise, they also will be expected to go beyond their professional role and be thoughtful and engaged on all the issues up for discussion and decision making. A diverse board in which all perspectives are welcome, no matter the topic of discussion, is better equipped to govern effectively and efficiently.

Start meetings with an activity, such as a mission moment, that encourages board members to focus on strategic priorities and large-scale issues. Try posing catalytic questions to help board members shift their attention to governance rather than management.

Take time during board meetings to highlight board successes. Tie the board's strategic work to recent organizational achievements to provide board members with a sense of accomplishment.

## THE CHIEF EXECUTIVE'S ROLE IN BOARD MICROMANAGEMENT

**Chief executive invites micromanagement by presenting issues that have already been well-considered.**
If a chief executive is presenting fully-formed ideas that already include input from key individuals, it is difficult for the board to engage in big-picture thinking. In these situations, the chief executive is asking for board approval on issues, rather than discussion.

Solution: The chief executive should invite board input early on, making it clear that the issue requires deliberation and evaluation from the board before implementation.

**Chief executive is not forthcoming with information the board needs.**
If the board does not receive the information it needs to make decisions, it may begin requesting extraneous reports or materials. Too much information may lead to board members getting into the weeds of organizational operations.

Solution: The board and chief executive should have open discussions about what information is necessary for board members to evaluate an issue from a macro-perspective.

**Loss of confidence in chief executive.**
The chief executive is the link between the board and the organization's staff and is responsible (along with the board chair) for creating a strong partnership between the board and organization. If board members lose confidence in the chief executive, it can naturally lead them to assume more management responsibilities to account for what they perceive to be deficient leadership.

Solution: The board may need to have an executive session to discuss the extent of the problem and possible solutions, after which the board chair can have a candid conversation with the chief executive about the board's concerns.

## EVENTS THAT CAN LEAD TO MICROMANAGEMENT

**Chief executive transition**
A chief executive transition can surprise organizations and cause disorder and confusion. Without a permanent chief executive in place, board members can be asked to take on a larger management role given their institutional knowledge and position of leadership within an organization.

Solution: All organizations should have a chief executive succession plan and emergency transition plan to be used in times of crisis. Even if the board does not believe a transition is imminent, preparing for the future is a useful exercise, and can be beneficial sooner than expected, especially since not all transitions


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are planned. Once the new chief executive is hired, he or she should have a series of conversations with the board to get up to speed on organizational operations and gradually transition the board back to its governance role.

### Strategic planning

Strategic planning can invite micromanagement if the board is considering specific ways in which the organization can achieve its strategic objectives.

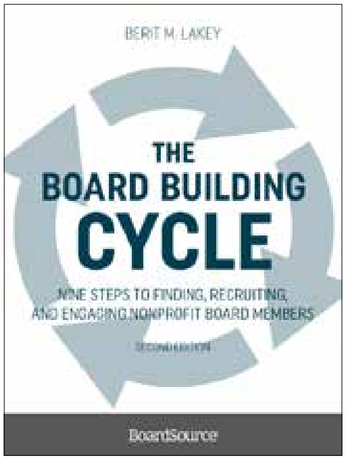
**Solution:** While undertaking a strategic planning process, the board's focus should remain on big-picture planning. Boards should be included early in the process, when they are encouraged to think strategically, and before planning begins.

### Time of crisis

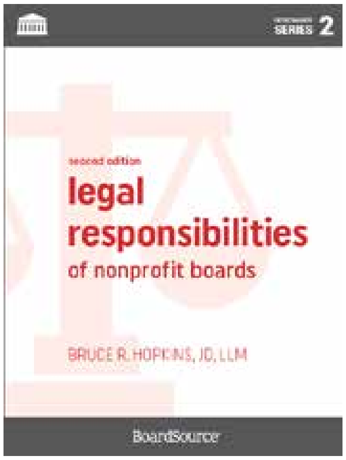
Similar to an executive transition, in times of crisis, the board is often called on to help. This can involve taking on more management responsibilities and may result in strong relationships between certain staff and board members that can become problematic once the crisis is resolved.

**Solution:** It can be difficult for the board to pull back from its temporary management role and refocus on its governance responsibilities. Identifying the cause of the crisis and ensuring that controls are in place to prevent it from repeating can help quell board members' concerns and allow them to resume their previous roles.

## Resources







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