



Formerly the National Center for Nonprofit Boards

## **Memorandum**

Date: June 9, 2008

To: Board of Directors  
American Association of Collegiate Registrars and Admissions Officers

From: Berit M. Lakey, PhD  
Senior Consultant

Re: Board Self Assessment Report

### **INTRODUCTION**

As a representative of BoardSource I congratulate the board of American Association of Collegiate Registrars and Admissions Officers for taking the time to assess its performance and thereby to ensure responsible association governance.

All ten board members participated in the BoardSource on-line survey which is designed to measure satisfaction with the board's performance in key areas of board responsibility. The executive director (E.D.) also completed the survey but his scores and comments are not included with the full report of board scores and comments. They will, however, be referred to in this memorandum where relevant.

The survey instrument asked respondents to rate their level of satisfaction with board performance on a scale of 1 to 4, where "1" signifies "very dissatisfied" and "4" signifies "very satisfied." Responses were computed as average scores. Average scores below 3 indicate a lack of satisfaction, and scores of 3 and above indicate satisfaction. The higher the score, the higher the level of satisfaction.

Since answers of "not sure" and "not applicable" are not reflected in the averages, these may in some instances not reflect an entirely accurate picture. Therefore the full report of board responses which is appended to this memorandum contains average scores as well as percentages in every response category. It also includes all comments made in response to open ended questions. These provide valuable information about board member thoughts and ideas about the board's performance.

This memorandum will seek to summarize responses pointing out areas of consensus as well as areas where there are divergent opinions. Percentages of "dissatisfied" and "not sure"

responses will sometimes be combined and referred to as “less than satisfied.” The memorandum will also include recommendations for actions needed to strengthen the board’s performance as the association’s governing body.

## EXECUTIVE SUMMARY

Responses show that most board members are generally, but not highly, satisfied with the board’s performance and that they perceive plenty of opportunities for improvement in all areas of board responsibilities. The following is a breakdown of all board responses in the different response categories:

Very dissatisfied:	2.5%
Dissatisfied:	21.0%
Satisfied:	54.0%
Very Satisfied:	11.0%
Not sure, not applicable.	11.5%

Every respondent finds service on the board to be a satisfying and rewarding experience (average score 3.70) even though some board members feel that they personally fall short in some areas of responsibility.

The following table shows average scores in the thirteen areas of key board responsibilities covered by the survey. For ease of comparison the highest scores are given in **green** and the lowest scores in **red**.

Board Responsibility Areas	Board Average	E.D. Average
Determining the Association's Mission and Purpose	<b>3.08</b>	<b>2.20</b>
Engaging in Strategic Planning and Thinking	<b>2.72</b>	<b>2.33</b>
Approving and Monitoring the Association's Work	2.74	2.80
Ensuring Effective Fiscal Management	<b>3.31</b>	<b>3.83</b>
Ensuring Sound Risk Management Policies	<b>2.66</b>	<b>2.80</b>
Selecting and Supporting the Chief Executive and Reviewing His or Her Performance	2.79	<b>3.00</b>
Understanding the Relationship Between Board and Staff	2.89	2.67
Enhancing the Association's Government Relations and Advocacy Programs	<b>3.02</b>	<b>3.00</b>
Selecting and Orienting New Board Members and Board Leaders	2.78	<b>2.23</b>
Maintaining Board Structure and Operations	<b>2.69</b>	<b>2.27</b>

Organizing Board Committees and Task Forces	2.81	2.17
Maintaining Relationships with Affiliated Organizations and Member Organizations	2.79	3.00
Ensuring adequate Financial Resources	2.16	NA

This shows that the areas where the board feels most comfortable with its performance have to do with fiscal management, association mission, and advocacy, but even there the satisfaction scores are not very high. While the E.D. differs with the board's opinions regarding the board's relation to the mission, he does concur with the board's scores related to fiscal management and the association's advocacy programs. Lowest board scores are registered in relation to ensuring financial resources (but 80% and the E.D. said this area of responsibility is not applicable for this board), risk management, board structure and operations, and strategic thinking and planning.

Responses to the survey clearly show that the board has work to do in order to become a more effective governing body. The board's structure appears to keep the board's attention more at the operational level than at the strategic level and may also contribute to some role confusion between staff and board, add unnecessary demands on board member (vice president) time, obfuscate issues of accountability, and make it difficult to avoid a "silo" mentality.

In order to benefit from the board self-assessment it will be necessary to set aside time for a thorough discussion of the assessment report and develop a plan of action for addressing the issues that have emerged. Some of these are outlined at the end of this memorandum and are related to strategic planning, board meetings, roles and responsibilities, financial planning and oversight, succession planning, and board development.

## **SURVEY RESPONSES**

### **Determine the Association's Mission and Purpose**

Interestingly, there is an equal number of board members (30%) who are very satisfied and who are dissatisfied with board member familiarity with the mission statement (3.00). The E.D. concurs with those who are dissatisfied and he is also not convinced that all board members support the mission statement. There is some sentiment for reviewing and possibly revising the mission statement (30% less than satisfied). A benefit of doing so might be to develop a mission statement that is more focused than the current one on *why* the association exists, what its basic purpose is for existing.

*Average score in this area of board responsibility: Board: 3.08 E.D.: 2.20*

### **Engage in Strategic Thinking and Planning**

This is an area with one of the lowest levels of board satisfaction. While almost everyone thinks that the board is clear about whom the association is serving (3.20), 40% of board members do not think that the board has articulated a vision for how the association should

evolve over the next few years (2.50) or that the board does a satisfactory job in strategic thinking and planning (2.60). This is probably connected to the fact that 70% say that the board has not identified key indicators for tracking progress toward the association's strategic goals (2.20). One person asks "where is governance?" and states that there is a lack of looking at projects from different perspectives. Others point to the fact that there is a lack of clarity about what is strategic and what is operational and call for more long range planning based on trends analysis. The E.D. tends to concur with those who perceive a need for improvement in this area.

*Average score in this area of board responsibility: Board: (2.72) E.D.: 2.33*

### **Approve and Monitor the Association's Work**

Everyone, including the E.D., agrees that board members are knowledgeable about the association's work (3.50), but 50% are less than satisfied that the board is aware of the effectiveness of this work (2.67). The board is also split 50/50 on whether or not the board verifies that the work meets current membership needs (2.56). The lack of satisfaction seems to be connected to the problems discussed in relation to strategic thinking and planning. One person put it this way, "we do attempt to monitor strategic goals but at times we do not quite understand them ourselves ... or how to make them into action plans." Others complain that monitoring consists merely of identifying action items as "done or not done" without consideration of significance. A question is raised about whether the board's structure and membership are as effective as needed for the board to provide strategic leadership and oversight, a concern shared by the E.D. who says that decisions sometimes appear to be driven by political trade-offs between specialty interests.

In terms of the information received in preparation for decision making, 30% express dissatisfaction (2.70) with one person mentioning late receipt of information, which is seen as resulting in hasty decisions.

*Average score in this area of board responsibility: Board: 2.74 E.D.: 2.80*

### **Ensure Effective Fiscal Management**

This is the area where the board feels most comfortable with its performance. The E.D. concurs. At least 80% express satisfaction with the board's performance in response to every question asked. One person points out this is an area that has been improving continually since 1999. Even so, a couple of individuals feel that the budget is more reflective of project needs than of strategic association priorities. Several comments touch on responsible fiscal oversight requiring board members who understand financial reports and issues, a point that is underscored by the fact that 40% of board members admit that they personally do not understand the association's financial reports.

*Average score in this area of board responsibility: Board: 3.31 E.D.: 3.83*

### **Ensure Sound Risk Management Policies**

In this area, responses show that 50% are satisfied and the rest are either dissatisfied or not sure which suggests a need for attention. It is not acceptable that 30% of board members are less than satisfied that the board has in place an effective conflict of interest policy, or that only 40% say that the board makes sure that association insurance coverage is periodically reviewed, or that only 30% say that there is a disaster preparedness and recovery plan in place. Comments indicate that there has been progress made in this area, but that more needs to be done. The E.D. expresses satisfaction with the board's performance in this area and adds that work is in progress to develop disaster preparedness and recovery plans.

*Average score in this area of board responsibility: 2.66 (does not reflect high number of "not sure" responses).*

### **Select and Support the Chief Executive and Review His or Her Performance**

There are different opinions about whether the chief executive has a clearly spelled out job description (20% dissatisfied, 20% very satisfied, 60% satisfied), as well as about whether the decision making responsibilities between the board and the chief executive are clearly spelled out (30%/70% split, 2.70). One person comments that "The board has evolved over the years, and as the office has grown over that time, there is some role confusion." These are issues that will need attention in order for the board/executive partnership to serve the association well. In terms of the chief executive performance review 40% do not think it is done fairly or in a timely manner (2.70), but just about everyone agrees that the compensation process is objective and adequate (3.33). The E.D. says he is satisfied on both counts (3.00). Only one person thinks the board has an adequate procedure in place for an eventual executive leadership transition and several think it is time to begin working on this.

*Average score in this area of board responsibility: Board: 2.79 E.D.: 3.00*

### **Understand the Relationship Between Board and Staff**

Everyone, including the E.D., agrees that there is a climate of mutual trust and respect between the chief executive and the board (3.20) and that the executive has been delegated enough authority for effective association management (3.30). There is, however, significant disagreement about whether there is clear understanding of the respective roles of committees and the staff assigned to them (2.50). This may not be surprising given the fact that "historically, board members (especially the vice presidents) have had direct programmatic responsibilities." Other comments indicate that board might benefit from a discussion about how to "make the transition from member to board member" and about board/staff relations in general. The E.D. concurs with those who do not think that the different roles of board and staff are clearly understood.

*Average score in this area of board responsibility: Board: 2.89 E.D.: 2.67*

### **Enhance the Association's Government Relations and Advocacy Programs**

Most board members and the E.D. express general satisfaction in this area especially in terms of ensuring open dialogue with association members related to public policy issues (3.00) and board members promoting a positive association image (3.30). There is some question about board member understanding of who serves as the association's official

spokesperson (2.89) and about board member understanding of their role in advocacy activities (2.89). In their comments board members wonder if the board relies too much on one individual in the area of advocacy and also raise the question about the extent to which there is shared agreement about the association's and the board's role in advocacy and government relations.

*Average score in this area of board responsibility: Board: 3.02 E.D.: 3.00*

### **Carefully Select and Orient New Board Members and Board Leaders**

While there is general consensus that the board's composition reflects the diversity of perspectives and expertise needed (3.11), something with which the E.D. disagrees, there is also dissatisfaction with the process now in place to identify potential new board members (2.38, only 30% satisfied). Questions are raised both by board members and by the E.D. about whether it is time to revisit the current nominations process and the length of possible board service. The one-term limit presents challenges for the board in terms of institutional memory. Although several people mention that improvement has been made, orientation of new board members clearly leaves much to be desired (only 20% say it is satisfactory – 2.22). While everyone agrees that board members are afforded opportunities to enhance their leadership skills (3.10), only 60% are satisfied that there is a board officer succession plan in place (2.88) (which according to the bylaws seems not to be possible).

*Average score in this area of board responsibility: Board: 2.78 E.D.: 2.23*

### **Maintain Board Structure and Operations**

In terms of board meetings, everybody is satisfied with the frequency of meetings, but only 30% say they are satisfied that meetings focus attention on long-term strategic issues rather than on short-term administrative issues (2.25). This may be related to a combination of factors: the board's perception of its own role, the board's structure, and the amount of time set aside for the meetings. Almost everyone feels that there is enough time to discuss issues and ask questions (3.11) and that most members are actively engaged in the board's work (3.00), but half the board is not convinced that the size of the board is appropriate (2.56). The E.D. agrees with those who think the board's size *is* appropriate but wonders whether fewer meetings would result in higher quality. Few board members believe that their colleagues are familiar with the bylaws (2.33) even though 60% say that the board regularly reviews them (2.67). The question about whether the board has a clearly agreed on philosophy of governance brought only 30% satisfaction and several comments and questions about the meaning or the term.

*Average score in this area of board responsibility: Board: 2.69 E.D.: 2.27*

### **Organize Board Committees and Task Forces**

This area brought a variety of opinions and perspectives with satisfaction rates ranging from 50% (current structure contributes to board productivity, committees have adequate staff support) to 100% (the use of occasional task forces). Comments indicate both that a new structure is evolving and that the board would benefit from greater understanding. One person's comment helpfully connects the committee structure with the larger questions about

roles of board and staff and about operational and strategic concerns: “We each come out of the association’s committee structure and tend to bring that along with us. I think if we do a better job of distinguishing between board and association committees and assignments, we’ll develop better leaders outside the board and allow the board to focus on strategic issues.” A question was raised about the effectiveness of the way committees and task forces are established and about the constant flux in committee membership. For his part, the E.D. is not convinced that the current committee structure is contributing sufficiently to board effectiveness.

*Average score in this area of board responsibility: Board: 2.81 E.D.: 2.17*

### **Maintain Relationships With Affiliated Organizations or Member Organizations**

Satisfaction rates here are quite low, ranging from 40% to 50% indicating a need for information and clarification. One person points out that board members rarely attend meetings of affiliated organizations such as ACE, but that AACRAO presence is usually provided by the Executive Director and that meetings of state and regional meetings are sometimes attended by board members. It is not clear to board members what the relationships imply in terms of roles and what information ought to be shared with whom and for what purpose.

*Average score in this area of board responsibility: Board: 2.79 E.D.: 3.00*

### **Ensure Adequate Financial Resources**

Since 80% of respondents as well as the E.D. say that questions in this area are not relevant, it is clear that fundraising has not been on the board’s radar. It is important to note, however, that 30% say that even the board’s approving policies related to financial resource development is “not applicable.” This needs clarification because if AACRAO brings in revenues from sources other than membership fees, the board most definitely needs to be involved in considering policy issues related to such revenue generation.

*Average score in this area of board responsibility: Board: 2.16 / NA E.D.: NA*

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Three open ended questions were asked at the end of the survey. A summary and consolidation of responses is provided below:

### **Issues that Should Occupy the Board’s Time and Attention During the Coming Year or Two**

- *Strategic planning:* board input, develop vision for the future, identify key performance indicators
- *Governance structure:* bylaws, nominations, board composition, function of committees
- *Member services:* alternative delivery mechanisms, review member proposed goals from strategic direction perspective

- *Succession planning*
- *The E.D.'s perspective:* Developing new consensus on how to govern

### **How to Improve the Board's Performance in the Next Year or Two**

- Agreement on collective and individual roles and responsibilities
- Improved committee structure and time of meetings
- Board Meetings: more strategic focus, avoid micromanaging staff issues, move beyond silo mentality, continue to use Sturgis parliamentary procedure, more timely reports in preparation for the meeting
- Board training: financial oversight
- *E.D.'s perspective:* Correct skill set represented on the board (build membership support for bylaws change to focus on board's governance role rather than special interests)

### **Other**

- "The board is a truly dedicated group and is open to suggestions that will help it improve."
- *E.D.'s perspective:* One or two outside board members would be helpful

## **CONCLUSIONS AND RECOMMENDATIONS**

This board self-assessment has provided board members with an opportunity to reflect thoughtfully about the board's roles and responsibilities as well as about the way the board functions. Their feedback clearly shows that the board has work to do in order to become a more effective governing body. The board's structure appears to keep the board's attention more at the operational level than at the strategic level and may also contribute to some role confusion between staff and board, add unnecessary demands on board member (vice president) time, obfuscate issues of accountability, and make it difficult to avoid a "silo" mentality.

In order to benefit from the board self-assessment it will be necessary to set aside time for a thorough discussion of the assessment report and develop a plan of action for addressing the issues that have emerged. Some of these are:

- *Strategic planning*
  - a discussion of the mission statement and articulating a sense of vision for the association's long term future
  - Development of key indicators for tracking progress
- *Board meetings*
  - Keeping a strategic focus in board meetings
- *Roles and responsibilities*
  - Clarify the difference between the roles and responsibilities of the board from those of the executive director and staff and of program-related committees
  - Explore the meaning of "philosophy of governance"



- *Finances*
  - Connect the budget to strategic priorities
  - Provide board training in financial oversight, especially how to understand finance statements
  - Review policies related to revenue generation
  - Update board on risk management policies
- *Succession planning*
  - Initiate a process that will lead to an orderly executive transition when the time comes, whether temporary or permanent
  - Evaluate the current process used to select board leadership and, if necessary, recommend changes (bylaws issue)
- *Board development*
  - Evaluate and, if necessary, recommend changes to the current nominations process and board term limits
  - Develop an effective board orientation process that assist new board members in making the transition to their new association role

By careful attention to the issues just outlined, the board self-assessment should result in new understandings of how more effectively and efficiently to structure the association's use of volunteer and staff resources. In any case, the assessment ought to result in a clearer understanding of the board's role as the association's governing body.