

SPEAKER KEY TAKEAWAY CONSIDERATIONS

NACD Texas TriCities Breakfast Program | March 10, 2017 | Houston, TX

Panelists: **Joseph “Joe” Cleary**, President and Director, D.E. Harvey Builders, Inc.
Director, Houston Zoo, Texas Children’s Hospital, The University of St. Thomas,
The Salvation Army of Greater Houston, and River Oaks Country Club

Willoughby “Will” Williams, Managing Director/Senior Healthcare Industry Executive, J.P.Morgan
Director, Kinkaid School Endowment Fund, and the Hope & Healing Center & Institute

Ann Lents, Chairman, Texas Children’s Hospital, Director, Houston Parks,
Memorial Heights Tax Increment Reinvestment Zone #5

Moderator: **Deborah Cannon**, President & CEO, Houston Zoo (Retired); Director, Bancorp South, Greater Houston
Partnership, Memorial Hermann Healthcare System, Physicians Referral Services

Key Takeaway Considerations Concerning Nonprofit Board Refresh

Diversity

- Boards diversity, equity and inclusion as basic values;
- The more diverse a board is, the better the decision making will be and the perspectives will be more unique;
- A board should reflect the community/group it serves – who better to understand the needs of constituents and the mission;
- Diversity promotes and encourages dialogue and interaction;
- Diverse boards attract donors and are very important to grant makers;
- Diversity goals should be formed to include skill sets, age, gender and ethnicity; and
- Diversity should never be about filling a quota as a primary intention.

Board Recruitment

- A board should have a nominating committee that casts a wide net to create a pipeline of potential board members who you believe:
 - Are passionate about your mission
 - Have complimentary skill sets to other board members
 - Have the time and resources to be effective
 - Are diverse in age, gender, ethnicity and skills
- Create and engage a young professionals group with key roles/projects to “intern” as potential board members;
- Broaden committee structure and involvement to include non-board members that could become board members;
- Hold cultivation events to attract potential board members;
- Research other professional associations such as United Way, Chambers of Commerce and other community leadership groups for leaders who may be interested in your mission;
- Build an accountable and active nominating and governance committee that is continuously developing and researching candidates for consideration – report at the board meeting on progress more than once a year;
- Be intentional about engaging volunteers with skills in the gaps of your experience matrix;

- Always listen to and act upon recommendations from fellow board members and friends of the organization that are actively serving in the community.
- Convene with newest board members who are often most energetic and excited about their new role and eager to help identify other candidates who are seeking board seats.

Board Structure

- **Balance the need for change and refreshing with the need for seasoned leadership and maintaining key relationships.** Strict term limits are alluring because they avoid the need for tough conversations, but the practicalities of maintaining seasoned leadership, nurturing a productive culture, and maintaining key relationships often dictate more gradual change. “Safety valves” in board structure, perhaps based on past leadership roles, can balance these competing considerations.
- **Wide flexibility in structures should be considered in light of the organization’s history, culture, mission and environment.** We are aware of significant demographic change in Houston, which clearly must be taken into account in board structure, but changes in the industry, the organization’s strategy, and the operating environment must also be considered.
- **Changes in board membership may dictate changes in communication structure and practices also.** As boards become more diverse and new members are brought into established organizations, past informal communication channels may be less satisfactory. Both informal and formal discussion opportunities need to be considered.

Board Evaluation & Assessment

- **Board evaluation needs to “go both ways,”** or to look both at the effectiveness of the way the Board is run and at the Board composition.
- **Annual, anonymous surveys are a traditional and effective tool** in evaluating the way the Board is run. Individual and small group conversations are important as a supplement, especially with new groups entering the Board.
- **Talent maps and skills matrices are useful tools** in assessing Board membership, but the criteria have to be thoughtfully refreshed periodically.
- **If used, scorecards should be consistent with roles and responsibilities agreements** with updates on status a few times a year.

“The board’s role is to both govern and support the organization. Board members are responsible for setting, in conjunction with management, the organization’s strategy and purpose. Another key area is the hiring, assessing and firing of the CEO. As individuals, board members should serve as ambassadors to the community, provide financial support to the best of their ability and provide advice to the staff in the areas of their individual expertise. Board members owe their time, resources, insights and attendance to the boards on which they serve. This entails not just showing up for board and committee meetings but also coming prepared to actually participate in those meetings.”

- **Deborah Cannon**, Retired President & CEO, Houston Zoo (Retired); Director, Bancorp South, Greater Houston Partnership, Memorial Hermann Healthcare System, Physicians Referral Services

NACD Texas TriCities Chapter Past Program WebPage

The speaker bios and additional resources on topics referenced in the program can be found at:
<https://texastricities.nacdonline.org/Resources/meeting.cfm>