

The Board Self-Assessment Questionnaire



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FOREWORD

History of the Board Self-Assessment

In 1983, as an investment in New Hampshire's future, a group of New Hampshire businesses, in partnership with the New Hampshire Charitable Foundation, formed The Corporate Fund. The partners pooled financial assets and annually awarded grants to selected New Hampshire nonprofits for strengthening their leadership, management, and governance. The Corporate Fund also established the Walter J. Dunfee Awards for Excellence in Management, presented annually to the state's outstanding nonprofits. Over the years, several major events were offered to the staff and board leaders of New Hampshire nonprofits on such topics as leadership, marketing, technology, entrepreneurship, and collaboration.

The first edition of the Nonprofit Board Self-Assessment Questionnaire was sponsored by The Corporate Fund as part of the development of the *Nonprofit Board Self-Assessment Kit* in 1992. This was followed in 1998 by the publication of *Partners in Performance: A Collaborative Approach to Nonprofit CEO Development and Appraisal*.

Many observers credit The Corporate Fund with being perhaps the most powerful influence on the advancements in nonprofit leadership, management, and governance in New Hampshire over the past 25 years.

A Note From the Author

I started consulting to The Corporate Fund in 1986, an affiliation that continued for 18 years and comprised one of the most personally and professionally rewarding client relationships in my 40+ years as a consultant to organizations.

In 1990, The Corporate Fund asked me to develop an inexpensive method for helping nonprofit boards assess their needs for board development. Corporate Fund grants could then be directed toward resolving high priority on a given board. Over the next 18 months, I created and tested the Nonprofit Board Self-Assessment Questionnaire with the assistance of my colleagues at Antioch University New England in Keene. The

Corporate Fund's "Nonprofit Board Self-Assessment Kit" was published in 1992 and has since been used by nonprofits, not only in New Hampshire and New England, but also from across the United States and abroad.

This current version of the Questionnaire and its accompanying guidelines were revised in 2009 as a result of the Corporate Fund's partnership with the New Hampshire Center for Nonprofits. The Center has added online technology to administer the questionnaire and make the completion and scoring of the Questionnaire easier for board members.

Please feel free to contact me (see contact information below) for any content questions on the Questionnaire or the process for analyzing outcomes. For technical matters involving the online questionnaire and tabulations of scores, please contact the NH Center for Nonprofits (Telephone: 603-225-1947; email: info@nhnonprofits.org)

While the Questionnaire and the accompanying material are copyrighted works, I always intended that nonprofit organizations should have access to this process at little or no cost. This includes permission to download and reproduce any of the materials as long as there are no costs passed on to other users. I only ask that users acknowledge the author appropriately.

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Guidelines for Using the Nonprofit Board Self-Assessment Questionnaire©

Introduction

The Nonprofit Board Self-Assessment Questionnaire (BSAQ) helps nonprofits boards of directors or trustees to identify gaps between the standards for effective nonprofit boards — as implied in the Board Self-Assessment Questionnaire — and your board members' perceptions of knowledge, skills, and processes as they carry out their board roles.

The Board Self-Assessment Questionnaire was not designed to produce statistically valid outcomes. Rather, it offers the nonprofit board a snapshot of the collective experiences of its board members. Its primary purpose is to engage the board members in discussion about their effectiveness as a board and, rather than tackle all the possible topics that a board might grapple with, to narrow the list down to those items that seem to need the most attention.

Once a board decides on which 4-6 "areas for improvement" are suggested by the Questionnaire, members have the options to make immediate "corrections" or to embark on a board development process as the board moves forward.

This document is designed to assist leaders of nonprofit boards to introduce the idea of board Self-Assessment, guide the board toward a decision to engage in Self-Assessment, and analyze the data produced by completing the Board Self-Assessment Questionnaire. The approach is based on several years' experience with hundreds of nonprofit boards that have engaged in this board strengthening process.

Forming a Board Self-Assessment Committee

At about the same time your board decides to ask its members to complete the Board Self-Assessment Questionnaire, it is recommended that you form a Board Self-Assessment Committee that will take responsibility for ensuring that all board members

participate in the process from beginning to end. The process starts with the Questionnaire itself and ends with the planning and implementation of a board work plan based on the results of the tabulated outcomes and priority setting.

The Board Self-Assessment Committee (3-5 board members) can be an ad hoc committee appointed by the board, the members of a standing Governance Committee (or its equivalent), or the members of the board's Executive Committee.

Preparing the Board for Self-Assessment

Many board members will be immediately ready to engage in Self-Assessment of the board's processes, knowledge and skills. However, others may see the project as a challenge to their wisdom, experience or integrity. Still others may see it as some kind of "test" to be passed. Such perceptions may lead to various forms of resistance to full and forthright participation.

One of the major roles of the Board Self-Assessment Committee is to help all board members see their involvement in the Self-Assessment project as an opportunity for them to make a major contribution to the development of the board, and perhaps, as a learning opportunity for themselves.

Even boards already operating quite effectively may view the Self-Assessment as a way to confirm their collective effectiveness or to "fine-tune" specific board operations.

Whatever may be the case with your board, the Board Self-Assessment Committee will want to establish an atmosphere among board members that helps them see the distinct advantages of the Self-Assessment process.



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Completing the Board Self-Assessment Questionnaire On-Line

After your board has agreed to move forward with Self-Assessment:

- Confirm that you have valid email addresses for all of your board members.
- Inform your board members that they will be contacted via email with a link that will allow them to complete the Board Self-Assessment Questionnaire.
- Contact the NH Center for Nonprofits to request participation in the Board Self-Assessment Questionnaire and provide your board members' email addresses. The Center will initiate the survey. You can work with the Center to schedule the start date of the survey so that the results will be available before the date that you need them.
- On the agreed upon date, the initial email will be sent to the board members. One week later, a reminder email will be sent to all those who have not responded. A list of non-respondents will be emailed to the point of contact.
- At the end of two weeks, the survey will be closed and results tabulated. The results will be sent via email to the contact person who initiated the process.

Analyzing Tabulated Outcomes

When the NH Center for Nonprofits returns your organization's tabulated results, the outcomes will be displayed for each question (see sample). In addition, there will be three tables which pull data from the individual questions to give three ordered lists as described below:

- the strengths of the board - the things members feel they do well on behalf of the organization.
- the priority issues that may need attention from the board in order to increase its effectiveness.
- the items that were answered with the responses "Don't Know" or "Not Applicable."

Your goal in the next steps is to review the data to create a list of 8-15 items that indicate areas in which the board seems to be performing well, and an additional 8-10 items that reflect areas that need strengthening.

NOTE: Although the questionnaire is organized into 12 discrete sections, e.g., roles and responsibilities, policy, planning, etc., the recommended approach to analysis does not attempt to identify whole sections as having strengths or needing improvement. Rather, the focus is on individual items within sections.

Identifying Strengths

To identify 8-15 areas in which the board seems to be performing well, review the tabulated list. The list is sorted according to the combined totals of "Strongly Agrees" and "Agrees" in descending order, with the highest total listed first. Secondly, it is sorted by the number of "Strongly Agrees" so that you can evaluate the strength of agreement. You may use this information to break ties between two items.

To qualify for this list of board strengths, all the items should have at least 65 percent of your board rating each item on the list as "Strongly Agree" or "Agree."

If you end up with several "ties," and there are more than 15 items on your list, explore breaking some of the ties by seeing which of the items had significantly more "Strongly Agrees" than "Agrees."

If, in the end, you have more than 15 items that have at least 65 percent of your board's vote, let all the items stand and be prepared to brief your board on all of them.

Identifying Problem Areas

To identify those areas of the board's operations that seem to be problems, follow a similar process as you used to develop the "strengths" list.

One way for an item to qualify for this list of board areas that need strengthening, is that it should have



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at least 30 percent of your board rating each item on the list as “Strongly Disagree” or “Disagree.”

If you end up with several “ties,” and there are more than 10 items on your list, explore breaking some of the ties by seeing which of the items had significantly more “Strongly Disagrees” than “Disagrees.”

Note that the recommended process for analysis does not suggest that a majority of members needs to think an item is in need of improvement in order for it to make the list of 8-10. For example, if only five of a board of 16 members thinks an area needs work, those five members may be enough to warrant the item being on the list.

Note on “Don’t Knows” and “Not Applicables”

The final list tabulates the number of responses of “Don’t Know” and “Not Applicable.” If this list includes a significant number (30 percent or more) of board members responding “Don’t Know” to an item, you may want to include those items in your list of 8-10 problem areas, depending on the item. For example, it would not be a good sign if five members of a 16-person board indicated they did not know if the “organization’s mission and purpose are clearly understood and accepted by the board.” On the other hand, it may not be as important if the same number of members answered “Don’t Know” to the statement, “Our board’s size is just about right.” In the first example, it is essential that all members know and support the organization’s mission and purpose. The lack of agreement on such a core issue would likely have a negative impact on board operations. On the other hand, a difference of opinion on the size of the board is the kind of disagreement that can exist without it being detrimental to the work of the board.

The primary purpose of the “Not Applicable” response is to allow boards to differentiate themselves from other boards for specific reasons. For example, an organization that has no paid staff and is essentially governed and operated by the board, would likely not find the items focusing on differentiating board and staff roles particularly valuable.

It is possible that some members will think an item is not applicable to the organization and others will disagree. In such a case, the disagreement should be surfaced for discussion along with other problem areas. Simple clarification of viewpoints may resolve the matter, but it may also be that the disagreement signifies an important difference in the understanding of mission, role, or structure.

In the end, the goal of problem analysis is to develop an initial list of 8-10 items that members do not see as adequately carried out by the board.

Summary

At the end of the analysis work, you should have two lists: a list of 8-15 items reflecting areas in which the board thinks it is doing reasonably well, and a list of 8-10 items the members believe need some improvement.

Finalizing the 3-5 Problem Areas Needing Board Attention

It is now time in the Self-Assessment process for the Board Self-Assessment workgroup to brief the whole board on the results of their collective responses to the Board Self-Assessment Questionnaire and to engage them in discussions that narrow down the areas in need of board attention to the 3-5 most important issues.

The rationale for this further narrowing of the scope of problem areas is that the most important 3-5 areas should comprise the board’s development plan for the next 6-8 months. Keeping the number of areas to be strengthened at a realistically manageable level is critical to board achievement and morale.

After analyzing the data for priority issues, the board leaders should prepare a presentation to be given to the boards members that cites:

- The 8-15 areas seen by the membership as strengths the board exhibits in carrying out its roles and responsibilities
- The 8-10 areas the board sees as priority issues needing improvement



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Start their briefing with the identified strengths. Such feedback usually is more beneficial if the members can see and hear about the data and analysis that led to the list's development. A handout or a large sheet of newsprint displaying the list of 8-15 strengths is recommended. This part of the presentation offers the board not only some information that speaks to its competencies and achievements, but may also cite the kinds of skills and knowledge that will be useful in taking steps to resolve those areas that it thinks are not being performed as adequately.

The next section of the briefing should be the list of 8-10 issues in need of board attention. Again, the numbers and reasoning that went into making up the list will be valuable to the members' acceptance and understanding of the task ahead of them.

After the two lists have been presented, allow several minutes for questions and clarification. Then begin the discussion that will help the board narrow down the list of 8-10 problem areas to a more manageable list of the 3-5 key issues to be resolved. Ideally, the members will arrive at a consensus on the most important items, that is, a list that all the members could live with, even if individual members might arrange the list somewhat differently if they were creating the list by themselves.

Achieving Consensus on Problem Areas

Arriving at real consensus on important matters can be one of the most beneficial skills a board can develop. Done well, it provides an opportunity for members to share their knowledge and opinions, to attempt to influence each other through clear presentation and careful listening, and to make a thoughtful decision on behalf of the organization.

Consensus is not always easily achieved. Your board may have its own ways of arriving at a decision that all members can support. If not, then your Board Self-Assessment work group may find the following three-step process helpful:

1. Conduct a discussion of the 8-10 problem areas in order to bring forth members' opinions and their rationales for

those opinions.

2. Ask individual members to choose what they see as the most important problems on the list of 8-10 issues, based on what they learned during the discussions. Boards use one of several methods available for such individual choices, such as:

- Asking each member to select five areas and seeing how many common choices there are among all members.
- Individually assigning 1-5 points to each item and creating a list of those items assigned the greatest number of points.
- Providing each member with about eight "sticky dots" to identify up to eight items on the list and create a list that features the items that received the most dots.

3. Whatever method your board uses to reduce the list of 8-10 problem areas to a list of 3-5, use this narrowed list to test for consensus. If need be, you can add a negotiating technique of trading one item for another in order to generate support for the whole list, while keeping the maximum number to five.

Your board may have its own style of effectively wading through data and engaging in discussions. There is no reason not to use that known style in this situation. In other words, use the system that works for you and your colleagues.

For further help on moving your board toward consensus, visit one or more of the following sites:

www.wikihow.com/Reach-a-Consensus

www.npd-solutions.com/consensus.html

Next Steps

Now that the board has agreed on a list of identified 3-5 problem areas that members believe need to be addressed, it is time to decide how to improve these areas of board functioning.

The board now needs to commit itself to strengthening these areas, using the final selection as the basis for a board development program for the next 6-8 months.



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Commitment needs to come from within the board itself. If they have done their Self-Assessment work forthrightly and reasonably well, members know what needs to be done. The commitment to change needs to be explicit and clear, and all the symbols of change need to be very visible.

Board leaders must ensure that a concrete, realistic plan exists to address each area. Assignments need to be made to responsible individuals who are skilled at making things happen in a timely way.

If resources are needed to help make the changes happen, they need to be identified. Resources principally include skills and knowledge, and, if need be, funds to purchase such skills and knowledge.

Following are several methods for identifying resources to assist the board with next steps in the process of strengthening itself. You might choose to use them individually, or in combination with one another:

1. Look within the board or staff itself for the skills and knowledge required to make the needed changes. For example, board members with successful, long-term business operations may well have the abilities and experience that will effectively introduce strategic planning into the organization. The CPA on your board may be the right person to teach the other members how to understand the organization's finances. The board member who serves as Executive Director of another nonprofit may be the perfect person to help delineate well-defined roles for board and staff.
2. If the skills and knowledge you need to strengthen the board do not exist among current members, you can search for new members to fill any open slots who are willing to join the board to apply a specific skill. For example, if by-laws need to be rewritten, or an oversight program for the organization's complex contracts needs developing, recruiting the attorney with the right mix of nonprofit experience and genuine interest in the mission and purpose of your organization may be the resource ingredient that turns the situation around for your board.
3. Invite a volunteer from your community to join – or lead – an innovative board effort. This can be done without asking for a long-term commitment to the board of three or more years. Many more people are likely to say “yes” to sharing their skills and knowledge for 3- 6 months. Be sure

to have a transition plan in place that allows the board to take over after the volunteer has completed her or his work.

4. Check with a local college or university for a faculty member or a faculty-advised group of students who are part of the institution's community service program. Such individuals and groups are often seeking volunteer projects in a wide variety of topic areas.
5. Contact the local chapter of RSVP or SCORE to see if help is available from retired professionals or stand-by volunteers. The person you need may well be waiting for the kind of challenge your board has decided to tackle.
6. If at all possible, allocate funds from your organization's budget to hire an outside consultant with the skills and knowledge required for one or more of you board's developmental projects. Consultants can be expensive, but properly hired and managed they can be worthwhile investments of the organization's future.
7. Seek funding for hiring a consultant from a corporation or foundation with a special interest in the particular problem area you are seeking to resolve. Some funders give priority to nonprofits with a solid plan for developing themselves in the areas of strategic planning, marketing, establishing fee-for-service businesses, and board development.

The most important task is to follow through on what you have learned about your board through the board Self-Assessment process. Make the most out of the effort your board has made to strengthen itself.

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Nonprofit Board Self-Assessment Questionnaire Selected Bibliography

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