

Governance As Leadership

Summary of Board Behavior Under the Three Components

| | Fiduciary | Strategic | Generative |
|------------------------------------|--|--|---|
| | <p>The Board thinks and acts as a steward of tangible assets – the night watchmen on the lookout for any breach of security.</p> <p><i>What’s the budget for this expense? What can we do within the existing budget? What is our life cycle plan for equipment replacement?</i></p> | <p>The Board seeks to align internal strengths and weaknesses with external opportunities and threats. In so doing, the Board engages in strategic thinking and strategic planning.</p> <p><i>Is this program a major part of our strategy? What are the consequences of going into debt to meet our major strategic initiative this year?</i></p> | <p>The Board generates:</p> <p>Insight and Understanding about a question, a problem, challenge, opportunity or the environment.</p> <p>A sense of the organization’s identity in order to most effectively respond to the problem or environment or to seize the opportunity that best represents how the organization sees itself and what it values.</p> |
| Key Question | “What’s wrong?” | “What’s the plan?” | “What’s the question?” |
| Board Focus | Define problems Review performance | Solve problems Shape strategy | Frame problems Engage in sense-making |
| Board Process | Parliamentary procedure | Logical and empirical discussion | More informal and creative |
| Problems are to be... | Spotted | Solved | Framed |
| Decision making | Resolution | Reaching Consensus | Framing the question |
| Board sees their role as... | Oversight & authority | Strategist | Fresh perspective |
| Performance Metrics | Facts, figures, finances, reports | Strategic indicators, competitive analysis | Signs of learning and discerning |

Adapted from: [Governance as Leadership: Reframing the Work of Nonprofit Boards](#). Chait, Ryan & Taylor

