

# FIVE HABITS OF HIGH-PERFORMING BOARDS

When a Board of Directors serves in a governing capacity (e.g. for a non-profit, a public agency, or a corporation), the Board needs to act in certain ways in order to assure high levels of performance throughout the organization. This tool lays out the five habits of high-performing governing boards.

## **Habit 1: Board members cultivate the Board as a distinct entity.**

- Board members recognize the Board as a distinct entity that governs the organization.
- The Board is different from Board members.
- The Board directs the organization via the chief executive.
- Individual Board members do not direct the chief executive or other staff, except when authorized to do so by the Board.
- Board members may offer suggestions or ask for information from the chief executive or staff.

## **Habit 2: The Board focuses on results – and on monitoring results.**

- The Board's job is to define the results that the organization is to achieve.
- The Board expresses its goals to the chief executive through a written plan or policies.
- The Board regularly monitors the goals, via measures of success.
- The feedback loop established through the monitoring process creates strong levels of performance.

## **Habit 3: The Board ensures sufficient resources are on hand and that those resources are managed effectively.**

- The Board regularly reviews the finances of the organization.
- The Board helps develop and approves the organization's budget.
- The Board assures resources are sufficient to meet the organization's goals.
- The Board raises money and other resources to support the organization.
- The Board assures an audit is conducted of the organization's finances.

## **Habit 4: The Board develops itself so that it can effectively serve the organization's needs.**

- The Board regularly monitors its effectiveness and structure.
- The Board regularly clarifies the roles of the Board, Board members, the chief executive, and staff.
- The Board assures an orderly succession of Board leadership.
- The Board recruits and approves new Board members and orients them to be effective as Board members.

## **Habit 5: The Board provides feedback and support to the chief executive.**

- The Board regularly evaluates the chief executive on the basis of the organization's success in achieving the goals.
- The Board assures the chief executive receives the coaching, mentoring, and training support that he or she needs.
- When a vacancy occurs, the Board selects a new chief executive based on his or her ability to achieve the Board's goals.