11 SIGNS YOUR GOVERNANCE BOARD IS MICROMANAGING

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By Brenda Kelleher-Flight

Introduction

Most boards believe they have a great team. They think that there is a great relationship with the CEO/Executive Director and there is no need to examine their practice.

The reality many times that not all board members feel the same and the chief employee is unable to find the right time or place to state his real views about board operations.

This article addresses 11 of the signs and outlines actions the board can talk to govern only.

Perception of the CEO’s/Executive Director’s Main Role

One aspect of the CEO’s/Executive Director’s role is to support the board to fulfill its accepted responsibilities; however, he does have duties which require that he effectively manages the organization.

If the CEO/Executive Director is focusing on management and he is responsible for drafting the agenda, it would be natural for management items to appear on it.

It is the board’s role to design its agenda, ensure governance items are its focus and refrain from absolving the CEO/Executive Director of his responsibilities.
FEAR

It is possible to leave too much to the CEO/Executive Director. It is just as possible to act out of fear and micromanage. There are methods a board can use to hold the CEO/Executive Director accountable for the management of the organization. If these methods are not adopted by the board it is not the CEO’s/Executive Director’s fault.

One can always find the “what if” scenario. However, the reality is that the majority of CEOs/Executive Directors are honest, hardworking and competent. They are open to advice and willing to engage in professional development or mentoring to overcome their weaknesses.

It is essential for the board to analyze risks prior to making decisions but this does not absolve it from deciding what it should rule on and what the CEO can manage without its interference.

THE LINE BETWEEN GOVERNANCE AND MANAGEMENT

It is not impossible to find the line between governance and management but it does take time and effort. When a board asks the question, “What about this issue is not management?” it will find its answer. It will also tell the CEO/Executive Director where his responsibilities begin and end.

The board’s role is to hold CEO/Executive Director accountable for the fulfillment of his role and know its course of action if he does not fulfill his responsibilities.

If a board is taking valuable time discussing items outside its sphere of control, it is wise to spend that time determining what it needs to govern and what it is willing to assign to the CEO/Executive Director.
ACTING AS THE CEO/EXECUTIVE DIRECTOR

It is worrisome when board members feel confident enough to say they can fill in for the CEO/Executive Director if there was a vacancy and would not need an orientation.

If the board members know every detail about the operation of the organization, the questions are

- Is the board governing or managing? When does it govern?
- Do staff members have respect for the CEO/Executive Director or do they function knowing that he really has no power?
- Who prepares the board’s agenda?
- Does the board know the difference between governance and management?
- If the board is managing, what’s happening to the governance duties? Are they being fulfilled?
- Why hire a CEO/Executive Director if the board is able to carry out the duties?
- Is there a need to hire a capable CEO/Executive Director if the board is making decisions about day-to-day operations?

CONFLICT

It cannot be assumed that the CEO/Executive Director is always going to agree with the board or the opinions of individual members. Therefore, it is vital for the board to have an approved method to resolve disagreements and conflict.

It becomes difficult for the CEO/Executive Director when board members take his opinion as an affront. To govern risks and ensure the best decisions are made, it is vital that all opinions are heard and reach settlements which move the organization in the desired direction.
IGNORING THE OPINIONS OF THE CHIEF EMPLOYEE

When a board member thinks she knows more than the CEO/Executive Director, her non-verbal communication will convey the message to keep quiet or only speak when the CEO’s/Executive Director’s opinion is in line with the one she is expressing.

The board chair may not want to address this issue if he is a volunteer. He may hope that if he ignores it, it will resolve itself over time. The reality is that it usually does not resolve itself without intervention.

It is imperative that the board determine when it wants to hear the CEO’s/Executive Director’s opinion, acknowledging it is only one voice. It does not help the organization to have the CEO/Executive Director feel as if he is less proficient than a particular board member.

The CEO/Executive Director needs to feel trusted and know that he is being held accountable for the management of the organization.

THE BOARD IS ULTIMATELY ACCOUNTABLE

Yes, the board is ultimately accountable; however, this does not mean that it has to play the role of both the board and the CEO/Executive Director.

It means that the board has to plan strategically, set the strategic directions for the organization, have mechanisms to hold the CEO/Executive Director accountable for the fulfillment of his role and his actions, and evaluate itself and the CEO/Executive Director fairly.
Oversight

Does the board really need to read the CEO's correspondence, sign every cheque or have detailed reports about activities that are routine staff functions?

No. The board determines the CEO's/Executive Director's role. It should set boundaries and leave the CEO/Executive Director to function independently within those limits.

Evaluation

It is natural for a board to refuse to evaluate itself when it knows it is not governing. Why expose its reality?

A governing board wants to know it is functioning well, fulfilling its role, and leaving a positive legacy.

When the board is managing, it is busy justifying why it needs to function that way and why it is important to only evaluate the CEO/Executive Director.

The best boards are proactive and use evaluations to ensure they are accountable for fulfilling their assigned responsibilities.

Reporting to the Board

When the board operates from a 'we need to know everything' philosophy, it will want as many staff as possible to attend all board meetings. The board members want to get to know them and are unwilling to trust the information put forward by the CEO/Executive Director.

Unfortunately, this undermines the CEO's/Executive Director's authority and how he is viewed by the staff. Therefore, it is important for the board to determine how
many employees report directly to it and why it is necessary to continually interface with the staff.

Planning

If your board has too much on its agenda to plan, it is time to take a good look at that agenda. If the board is meeting frequently and constantly has an overbooked agenda, there is a high likelihood that the board is actually managing.

If the board is too busy to plan, it is imperative to ask the following questions

- Where is the board headed?
- Who decided where the board is going?
- What is the board accomplishing?
- How does the board know if it is fulfilling its mandate?
- How will the board know when it is off course?

It is time to step back and question whether the CEO/Executive Director is capable of managing. Does he know when to come to the board for advice, and informs the board of major risks which management is not able to mitigate or minimize?

It is time to begin to govern.

Final Comment

Many board members think they like the management work better than the governance work. However, when board members really understand what governance entails they have no trouble shifting their focus and empowering the CEO/Executive Director.