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**Governance and decision making in nonprofit organizations: An
exploration of the board-executive relationship**

Golensky, Martha, D.S.W.

City University of New York, 1994

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GOVERNANCE AND DECISION MAKING IN NONPROFIT ORGANIZATIONS:
AN EXPLORATION OF THE BOARD-EXECUTIVE RELATIONSHIP

by

MARTHA GOLENSKY

A dissertation submitted to the Graduate Faculty in
Social Welfare in partial fulfillment of the require-
ments for the degree of Doctor of Social Welfare, The
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1994

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This manuscript has been read and accepted for the Graduate Faculty in Social Welfare in satisfaction of the dissertation requirement for the degree of Doctor of Social Welfare.

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Abstract

GOVERNANCE AND DECISION MAKING IN NONPROFIT ORGANIZATIONS:
AN EXPLORATION OF THE BOARD-EXECUTIVE RELATIONSHIP

by

Martha Golensky

Adviser: Professor Irwin Epstein

In the typical social agency, governance is the joint responsibility of the board of directors and the executive, who form the leadership core. The purpose of this project was to add to the knowledge of governance in nonprofit settings by studying the ways in which the leadership core reaches decisions.

A grounded theory approach was selected for the project. Four social agencies located in three small urban centers in the Northeast were chosen as study sites. Data were collected through observations of board and committee meetings, a review of archival material, a survey of the board members and interviews with selected trustees and the four CEOs.

From the extant literature and the investigator's practice experience, a central research question was developed: Are there distinct behavioral patterns that can be discerned in the board-executive relationship around issues of governance and decision making and if so, what are the causal factors

associated with each pattern? Different aspects of the phenomenon were identified, labeled and through a cross-site analysis, combined into twenty-four separate categories of behavior.

Three variables were found to be key in determining the nature of the board-executive relationship: Executive Assets, or the personal qualities and professional qualifications the executive commands; Board-Executive Congruence, the fit in philosophy and style between the CEO and the trustees; and Agency Context, all the forces in the internal and external environment that affect the organization. The combination of the first two factors results in both a state of being and a process called Symbiactive Management (SAM), all of which in turn are influenced by the agency context.

Four distinct SAM patterns emerged: High Board-Executive Congruence, Strong Executive Assets; High Board-Executive Congruence, Weak Executive Assets; Low Board-Executive Congruence, Strong Executive Assets; and Low Board Executive Congruence, Weak Executive Assets. The first pattern is the most desirable, the one that guarantees enough strength to withstand any negative forces in the environment and bring about SAM. Several propositions were suggested for future research.

Acknowledgments

Jonathan Swift once said, "Whoe'er excels in what we prize/
Appears a hero in our eyes." I would like to offer very special thanks to the CEOs and trustees of the four study sites included in this project, who are all heroes and heroines in my eyes. I have deep admiration for the quality of their work and the depth of their commitment and dedication. Without their generosity in allowing me to become a part of their lives over the course of a year, this dissertation would not exist.

To the "Three Wise Men" on my project committee, I extend my sincere gratitude. Paul Kurzman was especially helpful in the early stages of my work with advice on improving the data collection instruments; throughout the effort, it was comforting to know he was only a phone call away. If it were not for Harold Weissman's encouragement, I would not have felt as comfortable about returning to the classroom after twelve years "out in the real world." I value him highly as a teacher, a mentor and, above all, a friend. To my adviser, Irwin Epstein, I owe a special debt. Because of his unfailing support and enthusiasm, doing this project has been a rewarding and even exciting experience. He has had the answer for every question, and his right-on-target suggestions have strengthened my work immeasurably. Most

important of all, he has given me the precious gift of time and attention, for which I shall always be grateful.

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On a personal and professional level, I must also thank my former staff at the United Negro College Fund's CAMPAIGN 2000 and my current staff and the Board of the Center for Non-Profit Corporations for never making me feel guilty when I needed to put my studies or my dissertation before my job. Special thanks to Christopher F. Edley, Sr. for believing in me and showing it in the most concrete way possible. Finally, to my family and friends, who have endured my anguish and my exhilaration, I return your love and affection in equal measure.

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Rightly viewed, no meanest object is insignifi-
cant; all objects are as windows, through which
the philosophic eye looks into Infinitude itself.

Thomas Carlyle, *Sartor Resartus*

SECTION 1

PURPOSE AND PROCEDURES

CHAPTER ONE: INTRODUCTION AND OVERVIEW

The board-executive relationship, a critical aspect of nonprofit management, is the subject of this research study. Little is known about what actually drives this relationship, although there has been a good deal of speculation and theoretical formulation: "It remains a barren field, partly because it's very difficult to investigate" (R. M. Kramer, personal communication, November 28, 1988). The intent of the project is to add to the knowledge of governance in not-for-profit organizations by studying the process through which the board and executive, who together form the leadership core, reach decisions, using a multi-dimensional approach that takes into account organizational culture and the external environment as well as behavioral dynamics.

Identification of the Problem

The governance of nonprofit organizations is a complex process that encompasses both the manner in which decisions are made and the translation of those decisions into rules, procedures and definitions of roles and responsibilities. To gain a better understanding of this complex process, it is necessary to recognize the central position of power and politics in contemporary organizational life, and to acknowledge that the primary power relationship in the typical

social agency is that between the board of directors and the chief executive officer.

Although different definitions of the term *power* have been offered by the many individuals writing about it (Bierstedt, 1951; Enderud, 1979; Hollander, 1985; Mintzberg, 1983; Pfeffer, 1981; et al), one common thread is the link between power and organizational politics, which denotes both "an approach to...decision making, and...the acquisition, maintenance and use of power within an organization" (Gummer, 1984, p. 24). Almost all conceptions of power include sanctions and dependence/independence as essential features of a power relationship (Bacharach & Lawler, 1980). In the context of social exchange theory, Molm (1987) makes an important distinction between power and power use: "Power is a function of a structural position that gives a person control over another's *outcomes*, whereas power use refers to actual control over another's *behavior*" (p. 102). In other words, "power may be viewed as the potential for influence, as well as its exercise" (Brager, Specht & Torczyner, 1987, p. 245).

Both the board and the CEO enjoy positional power, the former as the entity legally liable for the fiduciary integrity of the organization and the latter as the professional to whom the board has delegated administrative authority and

responsibility (Kramer, 1985). Both can exercise their power in reaching policy and operational decisions and thus have "the capacity to effect (or affect) organizational outcomes" (Mintzberg, 1985, p. 4). Accordingly, Kirk (1986) notes that both are critical components of the governing leadership system, and the "failure to accept and institutionalize this premise is a major contributing factor to, if not the cause of, the 'distressed situation' in which many organizations find themselves today" (p. 17).

Yet, despite the identification of the board-executive relationship as a primary source of stability or dysfunction in the organizational system, there has been a lack of empirical data on "when and how [power] will be used, and on behalf of what interests, values, and issues" (Kramer, 1985, p. 26). For example, Carlton-LaNey (1987) focused on county social service directors' perceptions of their boards, and Roberts (1986) examined the power styles exercised by managers in relation to their bosses, as well as peers and subordinates, under certain conditions. While these two studies have added to the knowledge about the ways boards and executives interact, the central questions of when and how power will be applied remain largely unanswered. Moreover, it is not simply the presence or absence of overt conflict that is important in assessing the health of an organization. In fact, some experts believe the denial and suppression of

conflict are signs of dysfunction, and the healthy group is one in which its members feel safe in facing differences and dealing with them in an open and constructive manner (Clark, 1988).

At a time when nonprofit organizations are being called on to do more with fewer resources, it is perhaps of greater importance now than ever before to arrive at a more complete comprehension of the internal and external factors that underlie and influence this most critical relationship.

Objectives of the Study

Since no broad, commonly accepted theory on governance and decision making in nonprofits currently exists, the goal of the project is to generate a conceptual framework that offers new insights into the board-executive relationship in particular and governance in general, thereby providing a starting point for future research as well as practical application in both educational and organizational settings.

Glaser and Strauss (1967) enumerate the many uses of theory in sociology:

- (1) to enable prediction and explanation of behavior;
- (2) to be useful in theoretical advance in sociology;
- (3) to be usable in practical applications--prediction and explanation should be able to give the practitioner understanding and some control of situations; (4) to provide a perspective on behavior--a stance to be taken toward data; and (5) to guide and provide a style for research on particular areas of behavior. Thus theory

in sociology is a strategy for handling data in research, providing modes of conceptualization for describing and explaining. (p. 3)

Generally speaking, this list is applicable to theory building in any of the social sciences, and certainly captures the objectives of this particular research effort.

Because so little is known about the central phenomenon, that is, the relationship within the leadership core, the study is essentially exploratory and descriptive in nature. However, Yin (1989) and Miles and Huberman (1984) point out that the lines between exploratory and explanatory studies are not so clear-cut as once believed:

Much recent experience supports a claim we wish to make here: that field research is far *better* than solely quantified approaches at developing explanations of what we call *local causality*--the actual events and processes that led to specific outcomes. And we believe that, given multiple-site data, it is possible to develop rather powerful *general* explanations. In this sense, field data can provide serious *confirmation* of plausible causal models drawn from aggregated survey data, and produce genuinely powerful explanations. (Miles & Huberman, 1984, p. 132)

If the analysis of the data collected in the course of the research should lead to the development of one or more "plausible causal models" that explain or even go further and predict the way(s) in which the board and executive might interact, a number of useful hypotheses could be generated, so that the theory could be tested qualitatively and/or quantitatively through replications of the findings

in other settings, the essence of what Yin (1989) calls *analytical generalization* (p. 44).

On a more practical level, the theory generated from the study might serve as the basis for training packages for executives and board members. For the professionals, it might be a teaching unit on power politics for administration majors in schools of social work. This is an area of the formal preparation that has been largely overlooked, thereby ignoring the present realities of organizational life. As Gummer (1984) indicates, "to the extent that social administrators are active participants in making policy,...they will, perforce, have to deal with the basic political questions of 'who gets what, when, and how'" (p. 30). Other packages might be slanted toward the practicing executive to strengthen his or her dealings with the board. And for trustees, there might be orientation or training programs focusing on a variety of governance issues.

The Focus on Decision Making

As noted earlier, the decision-making process employed by the leadership core is functioning here as the mechanism, if you will, for studying the board-executive relationship. The methodological bases for singling out decision making for special attention are discussed in Chapter Three. Now,

we will consider some more fundamental reasons for this particular focus.

First, Driver and Rowe (1979) point out that "although decision making is central to effective managerial performance, little is known about the actual process" (p. 142). In the past, there has been a heavy reliance on normative, "how-to" and computer-generated mathematical approaches in an attempt to identify optimal strategies, but these approaches have failed to meet the real-life needs of decision makers. Instead, these authors offer a four force model of decision making, which describes the basic factors influencing the process: the internal and external environment, group interactional behavior, the nature of the particular task, and the needs and behavioral patterns of the individual (p. 147). The complexity of this model suggests that in studying decision making, it is possible to see a concrete expression of organizational values, norms and practices as well as to gain a richer appreciation of individual and group behavior.

Earlier, we talked about power in organizations. When participants in a given setting are asked who has power and influence, they will usually respond, but the question is raised whether the accuracy of their perceptions is important or whether the real significance is what their respon-

ses reveal of beliefs about power in that setting. Enderud (1979) opts for the second perspective. One of the ways to analyze the distribution of power is to examine decision making within an organization from the standpoint of the different actors in the process. Based on a study of decision making in a university setting that included both peer-rating and self-rating of participants' influence, Enderud (1979) concluded that

beliefs about power in others are better understood as stemming from observations of the process of decision rather than from observations of the outcomes; beliefs about self-power are better understood as resulting from an interaction between participation in the process and one's satisfaction with it and the outcomes from it. (p. 396)

These findings seem to confirm the wisdom of focusing on the process of decision making as a means to understanding power use in organizations. In this project, by taking into account the perceptions of the board and the executive about their own and each other's roles in deciding critical issues as well as this investigator's observations of their actions, it will be possible to gauge the importance of such factors as formal status, centrality and participation in influencing the board-executive relationship from both an "insider" and "outsider" viewpoint.

In their exhaustive study of strategic decision making in organizations, which concerns those matters that participants believe will have a long-term impact, Hickson, Butler,

Cray, Mallory and Wilson (1986) also concentrate on the decision process rather than the outcomes, which they consider almost beside the point. Their rationale for this choice best sums up my own position:

It would be an overstatement to say that to understand strategic decision-making is to understand organizations, for there is more to organizations than that. But to understand how these decisions come to pass is to understand more about the innermost workings of the top echelons who govern organizations. (p. 249)

The Organization of the Project Report

The project report is divided into three sections, Purpose and Procedures, Research Findings and Data Analysis, and Theoretical Considerations and Practical Applications. The three chapters of the first section provide a framework for the study. Chapter One gives an overview of the purpose, focus and objectives of the research project. In Chapter Two, there is a thorough review of the extant literature on nonprofit management that takes into account those works that deal specifically with the board-executive relationship, those emphasizing issues pertaining to either the board or the executive and those that consider particular theoretical or practical aspects of nonprofit governance, such as decision making. In addition, some broader organizational theories that bear on the central topic are discussed, for example, conceptualizations of power and leadership. Finally, Chapter Three describes the research design and methodology.

The second section consists of four chapters, each of which is a highly detailed case study of one of the four nonprofit agencies selected as the research sites for the project. Each case study looks at the leadership core--the board and CEO--within the internal and external environment that necessarily influences organizational structure, style and processes, with a special emphasis on decision making as it pertains to critical issues, that is, those having long-term implications for the agency. While the studies can stand on their individual merits, they have been organized in a consistent manner to facilitate cross-site comparison.

The third section is comprised of three chapters. Chapter Eight is devoted to the cross-site analysis set up by the individual case studies. In the course of the analysis, different elements of the board-executive relationship are depicted, and where appropriate, new conceptual terminology is introduced. In Chapter Nine, the various theoretical and practical strands of the study are woven together to tell an analytic story about the central phenomenon. In other words, the theory is presented out of a synthesis of the data. At the end of the chapter, some implications for practice are discussed. The report concludes with a brief epilogue, in which a few loose ends are tied up with regard to the critical issues that were facing the leadership core

in the four organizations during the formal observation period.

Two final stylistic points. Throughout the report, *board* with a small "b" denotes a general reference to any such body whereas *Board* with a capital "B" indicates a reference to the trustees at the study sites. *Chief executive officer* or simply *executive* refers in general to the top professional, in recognition that different organizational structures use different titles and therefore *executive director* is no longer adequate as a generic term.

CHAPTER TWO: LITERATURE REVIEW

Introduction

Although professional and disciplinary literature plays a vital role in both quantitative and qualitative research, Strauss and Corbin (1990) note some important distinctions in the specific uses for each methodological approach. For those using quantitative methods, the literature helps to identify what is already known as well as the gaps in a particular area of study. It also offers possible theoretical and conceptual frameworks for guiding such projects and for interpreting findings, and it can assist the investigator in delineating key variables and the relationships among them.

In contrast, since the purpose of grounded theory research is to study the phenomenon itself in order to discover the relationships among its different aspects and then possibly to rearrange those connections "in light of the theoretical framework that evolves during the research" (Strauss & Corbin, 1990, p. 49), an investigator does not want to feel constrained by a list of already identified variables or a previously developed conceptualization that might not apply to the area being studied. However, according to Strauss and Corbin (1990), the technical literature can be used 1) to stimulate theoretical sensitivity, 2) to provide ways of

approaching and interpreting data, 3) as a secondary data source, 4) to generate questions, 5) to direct theoretical sampling and 6) as a means of validating the accuracy of one's findings (pp. 50-52).

In her 1983 review of the literature on boards of directors in nonprofit organizations, Middleton acknowledges the general lack of attention to the board-executive relationship and the virtual non-existence of empirical studies of this relationship. In the ten years that have passed since her piece was published, the volume of articles about nonprofit governance has increased, but by and large, the focus has been on either the trustees or the top professional rather than on the dynamics within the leadership core. Therefore, many questions remain unanswered about the actual nature of the board-executive relationship.

In this chapter, we will consider several of the schematic approaches to characterizing the board-executive relationship as presented in the extant literature. Then, some broader organizational theories and formulations on nonprofit governance and fundamental management issues will be discussed.

The Leadership Core

One conventional description of the board-executive relationship is to term it a *partnership*. Trecker (1971), for example, refers to the two as "a leadership team....partners in a common task" (p. 110). Mausner (1988) sees the ideal staff-volunteer relationship as a creative blend "in which each partner complements and maximizes the productivity of the other" (pp. 5-6). In Drucker's (1990b) view, the trustees and the CEO of a nonprofit organization must function as a "double-bridge team," in which neither is considered more important than the other and both are indispensable.

Although there may be recognition that problems can develop in the relationship, clarification of their respective roles and responsibilities through lists of specific duties is often presented as the solution (Carver, 1990; Conrad & Glenn, 1976; Houle, 1989; Leduc & Block, 1985; et al). Marx (1981) sets forth six steps for defining and negotiating role responsibilities, which include setting a time and place for the board chair and the executive to meet together, updating job descriptions, establishing a common perspective on the division of labor, redefining or negotiating their respective roles and the tasks associated with each and establishing a process for reviewing these decisions if problems arise. He is clear about the benefits of this process:

A large number of leadership problems in volunteer organizations are due to inadequately defined roles The six steps..., if followed carefully, will contribute greatly to mutual understanding. They will also contribute to a more effective volunteer-staff partnership, if in the process of defining and negotiating their roles, both persons create a relationship based on equality, openness, cooperation and interdependence. (p. 26)

Karn (1983) calls on board members to "return to the basics," by which he means program budgeting, policy development, evaluation of program effectiveness and financial oversight. And Chait and Taylor (1989) chide board members for becoming too involved in day-to-day operations while ignoring their central responsibility for ensuring that the organization fulfills its mission: "It seems that otherwise intelligent individuals and astute businesspeople often toss aside the principles of good management, and sometimes even common sense, when they put on trustee hats" (p. 44). In the same vein, Dayton (1988) sees distinguishing governance from management as the key to organizational harmony.

Noting that "serious tension in the nonprofit organization is a common outcome when volunteers and staff are unclear about the boundaries of their assignments" (p. 67), Leduc and Block (1985) adapt Mintzberg's theoretical management framework to the nonprofit setting. Ten separate roles for agency leadership are identified: the figurehead, leader and liaison roles in the interpersonal category; the monitor,

disseminator and spokesperson roles in the informational area; and the entrepreneur, disturbance handler, resource allocator and negotiator roles in the decisional sphere. Since the role labels are fairly self-explanatory, it is not necessary to provide descriptions of the tasks under each. However, it is interesting to see that in assigning the principal responsibility for these tasks, the executive is listed for all ten categories, but the trustees, for only six. The board as a whole is mentioned for just two roles (liaison and negotiator), the board president for three (leader, disseminator and negotiator) and the board secretary and treasurer for one apiece (monitor and resource allocator, respectively).

Even though Leduc and Block (1985) point out that there is a heavy emphasis on the qualities and skills of the CEO in their suggested role breakdown, they believe it is fully warranted to expect an executive to be "capable in a variety of managerial roles and...[to] support those competencies with talented personnel" (p. 75). There is only an oblique reference to the potential for executive power this kind of role division might create when the authors talk of the board's legal responsibility for the organization and the necessity for trustees to act like a corporate board by "exerting...[their] influence...with a sense of ownership" (p. 75).

Yet, some other observers counter the partnership idea by making the case that one or the other of the so-called partners is or should be in the ascendancy in the relationship. Gelman (1983), for instance, suggests that executives, often by design, prevent boards from assuming their proper role in managing "the accountability function" in social organizations. While taking exception to the notion of a board-executive partnership--"Partnership implies equality; this is hardly a relationship of equals!" (p. 19)--Senor (1963) presents certain situations when the executive dominates, which are connected to particular characteristics of the agency or the board, such as a programmatic focus that requires a highly technical staff for implementation or the board's loss of physical, social and verbal contact with the organization.

On the other hand, Brager et al (1987) emphasize the hierarchical arrangement between the board and executive, in which the CEO is in fact staff, albeit its "super-supervisor," and accountable to the board. Another perspective is provided by Kouzes and Mico (1979). Their Domain Theory postulates that there are three distinct groupings or *domains* in human service organizations (HSOs), for policy, management and service. The potential for conflict in such settings arises from differences in interests and objectives between domains. The authors state: "[The] very same principles,

success measures, structures and work modes that serve to organize integral domains, also...promote separate identities...and inhibit the development of a common vision of the HSO" (pp. 457-459). They maintain that the needs and goals of the Policy Domain (board) take precedence over those of Management in HSOs and therefore, one of the manager's tasks is to master a "repertoire of intrapersonal, interpersonal, and intergroup conflict management methods" (p. 464).

In Domain Theory, events and units in HSOs are described as *loosely coupled*. This term, which is most frequently associated with the work of Karl Weick (1976), evokes an image of both attachment and separateness regarding individuals or groups within a system. Loose coupling "also carries connotations of impermanence, dissolvability, and tacitness all of which are potentially crucial properties of the 'glue' that holds organizations together" (Weick, 1976, p. 3). In the typical nonprofit, the reality is that many different needs and interests are represented at both the board and executive level, a point that will be more fully explored shortly, and as a result, it would be rather foolish to assume that all participants will be involved to the same degree in every aspect of organizational life. The norms, practices and traditions that develop over time--informed by values and beliefs--become key determinants of that setting's structure, which in turn creates "the system of

control and authority by which the organization is governed" (Pfeffer, 1978, p. 38).

A third viewpoint on the board-executive relationship is even more strongly directed toward a power-politics model of organizational behavior, in which individual actions and interactions are motivated by concerns over resources and one's position in the agency hierarchy (Gummer, 1980). In Salancik and Pfeffer's (1977) strategic-contingency model, power is equated with coping ability in regard to major organizational problems. Here, power is considered a means to survival for individuals through the control of scarce critical resources, the placement of allies in key positions and the assumption of the authority to define problems and policies. The active role that many nonprofit executives assume in the board nominating process can be seen as a reflection of their awareness of the importance of bringing like-minded individuals into leadership positions to enable them to carry out a particular agenda, not to mention as a safeguard for their own longevity (Unterman & Davis, 1982).

One of the primary arguments offered against the notion of a board-executive partnership is its limitation in capturing the full range of possible behaviors within the leadership core, from collaboration to profound disagreement, in response to internal and external conditions (Kramer, 1985).

Similarly, Middleton (1987) notes that "in contrast to the descriptions in the literature, the board-management relationship is a dynamic interaction; to state that it is a partnership implies a resolution of the tension rather than a complex shifting of power" (p. 150). Moreover, it is important to recognize that conflict can be a sign of a healthy organization, when there is a willingness to deal openly with differences of opinion in a manner that is respectful of others' points of view and with an acceptance of the ultimate outcome. In fact, the avoidance of conflict may be more destructive, with the key factor being whether and how the conflict gets resolved. Morgan (1986) offers the metaphor of the organization as a political system, in which conflict is a given of organizational life:

Conflict may be personal, interpersonal, or between rival groups and coalitions. It may be built into organizational structures, roles, attitudes, and stereotypes, or arise over a scarcity of resources. It may be explicit or covert. Whatever the reason, and whatever the form it takes, its source rests in some perceived or real divergence of interests. (p. 155)

Pfeffer (1985) notes that the ability of the social actor to perform in a particular way or to provide some resource to the organization that is valued or important is a primary source of power. As indicated above in considering Leduc and Block's (1985) list of organizational roles and responsibilities, the executive is the focal point, and more and more, the literature seems to be taking the position that

even though the board and the CEO are colleagues, "it is the CEO's responsibility to define the tasks of each, the board's and his or her own" (Drucker, 1989, p. 91). In a sense, there is a growing acceptance that a power imbalance tilted in the favor of the executive is acceptable as long as the CEO is acting to promote the organization's best interests.

In this regard, the recent work of Herman and Heimovics (1989, 1990, 1991; see also, Heimovics & Herman, 1990) has resulted in two important findings. First, an attribution study of a selected group of executives and their board presidents in the Kansas City metropolitan area indicated that CEOs perceive themselves and are perceived by others to be responsible for agency outcomes, whether successful or unsuccessful. Given this truth, executives can either take control and reduce the board to a rubber stamp or help the trustees fulfill their organizational and public roles. Second, research on leadership skills revealed that executives with reputations for being highly effective can be distinguished from those considered less effective by their significantly greater leadership behavior toward their boards. Herman and Heimovics (1990) conclude that CEOs must take advantage of the resources trustees can provide and therefore need to "work, with and through their boards, to

position their organizations in a changing and demanding environment" (p. 178). In recognizing the executive's boundary-spanning role, entrepreneurial qualities are highlighted (see also Spekman, 1979, and Young, 1983).

However, Fletcher (1989, 1992) rightly points out that for most executives, neither their academic training nor prior experience prepares them to work with a board. When they turn to the professional literature for guidance, at best they may learn what an ideal board should do or what trustees need to be effective. One source (Boulton, 1978) suggests an increased amount of and more varied information. Another (O'Connell, 1985) offers ideas for more effective meetings. As previously stated, the most common advice is to clarify the respective roles and responsibilities of the board and the executive (Conrad & Glenn, 1983; Houle, 1989; et al). But such advice tends to be addressed to trustees for their use; for example, in delineating his model of strategic board leadership, Carver (1990) devotes just one chapter to the board-executive relationship, most of which itemizes board tasks such as hiring the CEO and evaluating his/her performance.

According to Fletcher (1989, 1992), what is missing is clarity about what executives want from their boards and what they do to achieve these ends. If we accept the prem-

ise that board functioning does have a significant impact on agency performance, then "it is important that we learn about board effectiveness not only from the theorists but from practicing executives" (1992, p. 285). In two recent studies, a definition of a "good board" was established from the point of view of two samples of CEOs of community agencies in the San Francisco Bay Area. Based on the behaviors selected by the sample groups, a good board is involved in policy making, strategic planning and financial oversight, but not in day-to-day operations, and also gives feedback to the executive. When the study subjects were asked to rate their boards on how closely they matched the definition, two factors were found to be related to having a good board: high attendance of trustees at board meetings and the experience level of the CEO, especially as measured by tenure in the individual's current job. Finally, the executives whose boards scored best on the "good board" definition, when asked to identify their strategies in working with their boards, spoke of empowering the trustees by taking a personal role in recruitment, training and committee activities. These CEOs also spent a considerable amount of time supporting the trustees' efforts in fund raising and public relations and cultivating their individual talents.

While Fletcher's (1992) work has provided some useful insights into the board-executive relationship from the CEO's

point of view, she herself acknowledges that the picture presented by this particular set of executives is the ideal, and that most CEOs do not have the luxury of spending large segments of time empowering their boards. However, the findings of these studies do suggest some positive directions for improving the preparation of individuals for executive positions as well as for helping already practicing professionals improve their performance.

In a similar vein of offering practical advice to nonprofit executives, Mathiasen has taken two directions. In some pieces (1977, 1986), he has focused on clarifying roles and responsibilities of trustees and CEOs, but unlike some of the articles noted earlier, from the standpoint of the professional. In others (1982, 1983, 1990), he has adopted more of a strategic perspective, combining common sense with practice wisdom. For instance, Mathiasen (1983) has articulated the concept of following and leading boards, in which the first term refers to a board that, either by choice or necessity, gives the balance of power in the organization to the staff leader, and the second category describes boards that have taken control of the direction and work of the agency. To understand the unique dynamics of the board/staff relationship, the executive is counseled to try and determine the position of his or her board along the following-leading continuum to gain not only a historical aware-

ness of the organization but also some sense of "probable patterns of the future" (p. 12).

This idea of the effect on an organization of shifts within the leadership core over time is another area that has been largely neglected by the proponents of the board-executive relationship as a partnership. Mathiasen (1990) believes that as the organization matures, so does the board. He identifies three distinct stages in this evolutionary process: the organizing board, the governing board and the institutional board. The initial stage is characterized by the two board forms noted above, following or leading. In the second stage, a committee structure evolves, there is greater reliance on the professional staff, and often new trustees are recruited as older members leave. From these changes, a different leadership style emerges, one of shared power between the board and the executive. A less dramatic transition occurs as the organization moves into the third stage; the board increases in size, relies even more on committees to do its work and sees fund raising as its primary activity.

In the Wood (1989) model of the board life cycle, the board moves from a strong commitment to the agency's mission in its early stages to a goal-achievement focus as the organization becomes more bureaucratic in structure--with substan-

tive committees, a managerially oriented executive, etc. A second aspect of her research focuses on board operating styles, which she has superimposed on her original model. From her perspective, a board adopts a participatory, corporate or ratifying style depending on whether it feels compelled to demonstrate ownership of the organization or, conversely, has confidence in the leadership of the professional manager. However, she predicts a rapid shift in the operating style in the face of a crisis, with the board moving from the ratifying position to the participatory mode and then gradually back into the corporate style as the crisis subsides. This supports Middleton's (1987) contention that "critical tasks are variously important at different stages in an organization's life, and thus power shifts over time among key groups" (p. 151). Recently, Wood (1992) has taken this discussion a step farther by proposing a cyclical model of board behavior that incorporates the evolutionary phases and operating styles just delineated, in order to produce "a textured description of the influence of board members' attitudes, values, and behaviors on board decision-making at human service agencies" (p. 140).

As noted, the power balance between the board and executive is affected at critical times in the life of an organization. While each organization will have its own definition of what constitutes a critical event, there is some consen-

sus in the literature that decisions related to finances, legitimacy and reputation are considered to be especially significant by the key organizational players (Golensky, 1988, in press; Gummer, 1980; Middleton, 1987; Mizruchi, 1983; Zald, 1969). It is at such times that the essentially political nature of organizations seems to emerge. The problem is we must now deal with the results of the changes in the power balance within the leadership core even though we may have at best only a rudimentary understanding of what is influencing these changes, although Middleton (1987) suggests the variables may include compositional characteristics of the board, organizational factors such as the degree of technological complexity, informal internal relationships and specific situations or crises.

Part of the difficulty in comprehending the organizational climate, especially at crisis points, stems from the lack of empirical data on board-executive interactions (Kramer, 1985; Middleton, 1983; Zald, 1969; et al). In fact, Zald (1969) states, perhaps facetiously, that "the processes themselves are sometimes most effectively described by novelists" (p. 110). A further complication is the absence of clarity in distinguishing reality from perception. Smith and Peterson (1988) observe that:

From an organizational standpoint, events may be viewed as abstracted segments of ongoing, continuous organizational processes which can only be somewhat artificially separated from these processes. From such an in-

tegrative viewpoint, events may be seen as segments of organizational processes which, while they implicitly contain the whole of some process, are given a particular meaning when they have actually been abstracted through individual cognition. The concept of event fulfills an analogous function to the concept of role. The concept of role provides a point of contact between organization structures and individual cognitive structures (reflected in personality), while the concept of event links organizational processes to individual cognitive processing. The ideas of role and event are equally amenable...to the symbolic interactionist position that social influences affect even relatively structured, stable patterns of behaviour [sic]. (pp. 129-130)

In other words, the same occurrence in two different settings may be interpreted differently by the organizational members involved. This helps to explain why, for example, a CEO's action in a personnel matter may evoke a reaction from the board ranging from praise to a call for the executive's resignation.

Zald (1969) maintains that even though a board "of a corporate organization has formal and legal responsibility for controlling and maintaining organizational operation and effectiveness" (p. 97), in reality, the question of whether the board or the executive is in control turns on "a range of external detachable resources, personal characteristics, and strategic contingency situations" (p. 109). This comment raises a host of related issues. For example, how does one define and measure effectiveness? When we speak of effectiveness at the board level, the executive level and at the organizational level, is there a common understanding of

the use of the term? Concerning the organization, "effectiveness has most often been defined in terms of profits and ratings by others of...performance" (Pfeffer, 1978, pp. 30-31; see also Provan, 1980). Similarly, Herman and Tulipana (1985), in noting how difficult it is to capture this concept in both nonprofit organizations and business settings, avoid the definitional problem and simply proceed with the measurement task as though there were only one possible meaning, relying on member ratings to determine effectiveness. Miller (1988) does go a step further by including service quality among the variables to determine agency outcomes, but this area is far outweighed by attention to financial indicators and reputation in the community. The same vagueness prevails in regard to defining board and executive effectiveness (see Herman & Heimovics, 1990).

Tied to the question of board effectiveness are the motivations for trustee participation. Widmer (1989) applied an incentive-barrier model to identify the reasons for service of board members in ten human service organizations. The responses can be divided among several categories of incentives--material, which includes the subcategories of employment-related and client-related incentives; social; developmental; ideological and service. The last category encompasses motives based on a belief in the agency's work and those derived from a broader sense of fulfilling a civic

duty. From his five-year, descriptive study of the evolution of board structure, roles and behavior in twenty community-based organizations, Fink (1989) found a shift over time in board composition from grass-roots representation to a more middle-class, professional orientation. There was also an evolution in board roles toward a more sophisticated understanding of governance and the division of labor between trustees and the executive, along with the recognition that the CEO now carried a heavier burden for agency outcomes as board members became more removed from day-to-day activities. He concludes that there is a need to formulate new mechanisms for accountability, the development of which he believes might be a proper role for the executive.

Even though we are still far from having a full understanding of organizational effectiveness in all its dimensions, it does appear that the board and executive are inextricably linked in the effort to ensure that services are delivered in a sound and efficient manner. For this reason, it is vital that we work toward a better appreciation of the factors that create a successful board-executive relationship. Kramer (1965) has pointed out the disparities in ideology, status and power that often exist between the board and CEO of a voluntary agency, but little attention has been paid in the literature to this potential source of conflict. Although certain forces, such as the exchange

nature of the board-executive relationship, tend to minimize conflict and allow the organization to maintain its equilibrium, there needs to be a greater awareness of the importance of shared perceptions of mission and governance (O'Connell, 1985) and of "the personality and style of the individuals involved" (Kirk, 1986, p. 18). It is rather telling that even at times of leadership transition, the tendency is to concentrate on the professional background and experience of job candidates during the search process while virtually ignoring the personal element (Gilmore, 1988). Yet, all too frequently, it is "false stereotypes, misguided assumptions or unrealistic expectations about... working relationships" (Schroder, 1986, p. 16) that cause a rupture within the leadership core.

Nonprofit Governance and Management Issues

Turning now to broader organizational theories and conceptualizations and to a consideration of some fundamental management issues, we will focus on those that give context to the board-executive relationship and also illuminate important dimensions of nonprofit governance.

In studying the leadership core, it is important to keep in mind that behavior can best be appreciated if one takes into account both the internal and external environment in which the actions and interactions occur. Looking first at the

internal environment, it is generally agreed that each organization has a unique culture, by which we mean "what a group learns over a period of time as that group solves its problems of survival in an external environment and its problems of internal integration. Such learning is simultaneously a behavioral, cognitive, and an emotional process" (Schein, 1990, p. 111). Included here are those basic assumptions developed by a given group as a guide to its conduct of organizational affairs, as the "correct way to perceive, think, and feel in relation to...problems" (Schein, 1985, p. 9; 1990, p. 111). Since the board and executive together form a social unit--a small group, if you will--one way to study this group in a particular setting is by attempting to decipher the values, beliefs, motives and assumptions underlying the evolution of roles within the leadership core to see how these may have shaped the group members' relationship.

Schein (1985) also believes that overt behavior by organizational participants is the result of both a cultural predisposition toward a certain set of actions and adaptation to situational contingencies arising from the external environment. This is a useful synthesis as we now consider three different views of organizational behavior: the rational, the natural-system and the power-politics models. The rational model focuses on the "efficient attainment of

goals" (Gummer, 1980, p. 24) through bureaucratic measures that attempt to control the behavior of organizational members. On the other hand, in the natural-system approach, the organization is considered a type of social system wherein satisfaction of personal needs is viewed as of equal importance with the production of goods or services. Finally, there is the power-politics model, with its central thesis that concerns over resources, especially their availability and distribution, and about securing one's place in the agency hierarchy are the chief motivators of individual actions and interactions.

As noted in the earlier part of this chapter, it is this last model that has begun to gain favor among a number of observers of contemporary organizational life, perhaps swayed by the argument offered by Gummer (1980). In his view, the rational model is more suitable for studying the operations of subunits, and the natural-system model may be too idealistic. Therefore, if the conditions are not present for the other two models to operate, "then it's safe to assume that behavior in the organization will best be explained along the lines suggested in the power-politics model" (p. 46). Moreover, it is not just behavior that is shaped by the basic tenets of this model. According to Ranson, Hinings and Greenwood (1980), the very structure of the organization (here defined as "a framework of rules,

roles and authority relations," p. 3) is created by those members who have power by virtue of their control and manipulation of scarce resources; in turn, structure becomes "one of the crucial instruments by which groups perpetuate their power and control" (Ranson et al, 1980, p. 8; see also Pfeffer, 1985, and Salancik & Pfeffer, 1977).

To Bacharach and Lawler (1980), a "primitive" term is one that heightens awareness of phenomena or issues without necessarily providing clear, precise ideas or hypotheses. Power is one such term, and "thus, we must ask not what is power, but to what phenomena does the notion of power sensitize us" (p. 14)? The authors go on to identify authority and influence as two major content dimensions of power relationships, that is, the idiosyncratic and situation-specific aspects of social interactions. Authority is virtually synonymous with legitimacy and flows downward; influence is the dynamic component, can vary in degree and is multidirectional. "When power is discussed in terms of authority and influence, it becomes apparent that organizational politics, for the most part, takes place within the realm of influence" (Bacharach & Lawler, 1980, p. 44). In nonprofit organizations, it is probably fair to say that this is especially true at the leadership core level, where the CEO can compensate for having less formal power than the board by using professional status, administrative authority

and informal relationships as sources or "resources for influence" (Kramer, 1985).

In fact, for Mintzberg (1983), influence and power are synonymous, which is clear in his definition of power, which emphasizes the ability "to get desired things done, to effect outcomes--actions and the decisions that precede them" (p. 4). This perspective is also reflected in French and Raven's (1959) typology of the bases of social power: "We define power in terms of influence, and influence in terms of psychological change" (p. 150). In their schema, the power of the agent of influence, O, is measured by the maximum potential ability to influence the target, P. In other words, it is not so much a question of how much influence is exerted at a given time but of how much **could** be exerted. Of the five types of power--reward, coercive, legitimate, referent and expert--all are potentially available to a nonprofit executive in dealing with the board. For example, the CEO can exercise reward or coercive power through influencing the Nominating Committee in the selection of board officers and committee heads. Legitimate and expert power are tied to the executive's professional credentials and position within the organization, which may also generate admiration and trust, prime sources of referent power.

With regard to delineating possible patterns of power use in nonprofit organizations, again there is little guidance from the professional literature. Kramer (1981) identified four different patterns of power distribution in the governing boards of fifteen Israeli voluntary agencies. These patterns can be arranged on a continuum from power concentrated in one person, either the top professional or the top volunteer, to dispersed power, with either strong or weak professional leadership. The agencies were almost equally distributed along the continuum, but there did not seem to be any association between a specific pattern and a particular set of interests or issues. Consequently, it was not productive to carry the analysis any further because "concentration of power in the executive leadership does not tell when and how it will be used--on behalf of what particular interests, values, and specific issues" (p. 121). The only conclusion was not to assume power distribution in a given setting is a constant, unaffected by the situation or issue being addressed.

More recently, Murray, Bradshaw and Wolpin (1992) have suggested a typology of five patterns of board governance based on the distribution of power within the leadership core: the CEO-dominated board, the chair-dominated board, the fragmented power board, the power-sharing board and the powerless board. The patterns evolved out of in-depth case

studies of selected Canadian nonprofit agencies. Then, these patterns became the basis of a much wider survey of CEOs of voluntary organizations throughout Canada. The researchers' interests were twofold, to see the extent to which the executives perceived their boards as resembling the different patterns and to examine the relationship between patterns of board power and organizational effectiveness. While the authors acknowledge that the patterns they have described do not exhaust the possibilities and that the findings of their research are tentative, they do offer some insights worth further exploration. For instance, the pattern most frequently mentioned by the respondents was the CEO-dominated board, followed by the power-sharing board. In addition, generally speaking, the background characteristics of the trustees had the highest correlation with the power patterns. To what extent was the normative literature, which tends to advocate a power-sharing model, an influence on these outcomes? How important is board composition? Above all, this research supports the idea of multiple power patterns.

As previously noted, one of the uses of power or influence is to bring about change. We will now look at two conceptual frameworks that are primarily oriented toward strategies for change; both take into account many of the factors discussed earlier. Torczyner (1978) identifies strategic

relationships as the ways in which individuals and groups interact with others in order to achieve their objectives. His model includes five "interrelated and interdependent" variables--perception of the environment, power, issue priority, time and legitimacy--that "affect the establishment of strategic relationships and account for the variability of such relationships over time" (p. 467). Underlying this framework are social exchange theory and the concept of interdependence, which may be viewed as the opposite sides of the same coin, with the one explaining why transactions between individuals or groups take place and the other explaining why such transactions are necessary (Torczyner, 1978).

Brager and Holloway (1978, 1992) have adapted Lewin's field theory for their strategic change model. To effect change requires knowledge of the most important organizational actors, the environment and the internal structure, and their interactions. This information makes it possible to identify the potential forces that will favor a proposed innovation (read: decision) and those that can be expected to resist it, and so a strategy can be developed to maximize the former and neutralize the latter. What is particularly applicable to the study of the board-executive relationship is the idea that "stability within a social system is a *dynamic* rather than a static condition;...change occurs when

the forces shift, thus causing a disruption in the system's equilibrium" (1978, p. 108). Another aspect relevant to the focus of this research project is the interplay of organizational actors, the internal and external environment and organizational structure. As for field theory itself, it has been the inspiration for many later investigators of group processes, including research on human behavior in natural settings (Hall & Lindzey, 1957). One example is French and Raven's (1959) conceptualization of the bases of social power, reviewed earlier, which draws heavily on Lewin's work.

This notion of influence that we have been exploring could be seen as another way of examining leadership. While there are many definitions of the construct, here is the one that fits best in this context: "A source who exercises great influence in a group and is perceived as acting in the group's interests will be identified as a leader" (Tedeschi, Schlenker & Bonoma, 1973, p. 87). This definition is consistent with the work of Hollander (1978, 1985) on leadership, which is predicated on the interconnection of the leader, the follower and the situation, that is, a fundamentally nonhierarchical approach. For Hollander, the distinction between leaders and followers is blurred, for as he observes, "all leaders to some degree are followers at times" (1985, p. 487). By that, he means there is a mutual

dependency at play so that leaders, in order to achieve their goals, must be attuned to the needs and interests of their followers to be successful, and sometimes that means letting the so-called followers show the way. Interestingly, in an experiment on accommodation, Hollander (1978) found that one "effect of having authority, and being used to dealing with it, is...to respond well to others who have it" (p. 66). The link to social exchange theory is fairly clear.

In terms of the board-executive relationship, an especially useful concept advanced by Hollander (1978) is his "idiosyncrasy credit" model. To be a change agent, a leader must gain the trust and respect of his or her followers over time by earning credits, initially, on the basis of competence in furthering group tasks and on adherence to group norms. Later, the leader will be judged on the ability to move the organization in the direction of needed innovation. Whether one subscribes to a CEO-dominated or a power-sharing pattern of board behavior, the idiosyncrasy model helps isolate some of the factors that enable some executives to introduce new ideas and cause others to be thwarted in such efforts. For instance, there is the matter of tenure. Earlier, we saw in Fletcher's (1992) studies how tenure was related to board effectiveness. Kramer (1985) reminds us "there is...the influence [of executives] that is based on continuity;

presumably, the longer the duration of their service, the greater their influence" (p. 20).

In this discussion, it is important to remember that leadership and power are not synonymous, although power is often considered a feature of leadership. In organizational settings, one can identify three forms of power. The most familiar is *power over*, which is the explicit or implicit dominance of others. There is *power from*, "which is the ability to resist the power of others by effectively fending off their unwanted demands" (Hollander & Offermann, 1990, p. 179). Finally, there is *power to*, which encourages individuals to share responsibility and authority through the empowerment of others. Although Hollander and Offermann (1990) suggest that a high-status person has the potential to use all three forms, I would submit that a nonprofit CEO may find it difficult to put off a persistent trustee who is well regarded within the organization without good reason and unless there is evidence that other board members will support the executive's position. On the other hand, efforts at board empowerment should be encouraged, especially in times of resource scarcity (see Broholm & Johnson, 1993, for a thought-provoking essay on leadership in nonprofits). For instance, an executive might try to become more sensitive to the potential for role conflict, ambiguity and overload at the board level as barriers to trustees' full

participation and contribution to the organization (Widmer, 1992).

Although there is general agreement that leaders and managers are indeed separate organizational roles and that both are important in organizational life, there is less of a consensus about the possibility of a single person embodying both roles. Quinn (1988), for example, recognizes that "as people move higher in organizations they are more likely to face the problem of needing to both manage and lead, to be both people and task focused" (p. 81). However, he believes it is difficult for most people to employ both sets of assumptions, and so "while real situations demand that we do just this, our personal orientations and most formal theories lead us to value one approach over the other" (pp. 81-82). Burns (1978) addresses the matter by distinguishing between two types of leadership, transactional and transformational. The first kind is predicated on an exchange of something of value between the leader and the followers; the main concerns are a rational approach to decision making, goal attainment and incremental change. Conversely, the transformational leader "looks for potential motives in followers, seeks to satisfy higher needs, and engages the full person of the follower" (Burns, 1978, p. 4).

Burns clearly views transformational leadership as more potent than transactional leadership. On the other hand, Hollander (1978) makes a strong case for transactional leadership, with its emphasis on competence, as a dynamic process that is well suited to the realities of everyday organizational life. Finally, Bolman and Deal (1991) come down squarely on both sides by offering four different perspectives ("frames") on organizational analysis--structural, human resource, political and symbolic--and demonstrating how managers and leaders might function within each. In our complex world, the entire question of leadership, however it is defined and with particular reference to the nonprofit sector, is an area worthy of further investigation.

To conclude this review of the literature, we turn to a particular task that is regarded as a key responsibility of leadership, decision making. In fact, Wernet and Austin (1991) go so far as to state that "leadership's function is to manage the decision process" (p. 3). To learn more about the way decisions are made, they studied twelve nonprofit, human service organizations in Texas, focusing on specific events that had significance for the organizational members. Although they found some distinct patterns in the division of labor for specific kinds of decisions--for example, the board alone handled executive staff turnover while there was

more of a shared responsibility between the CEO and the trustees for financial matters--the prevailing decision-making style was passive and reactive. Noting the importance of the external environment's influence on the decision process, they suggest that resource dependency theory might offer some explanations for their findings. Continued research into decision-making processes may make it possible to determine whether their conclusions can be generalized beyond this subset of organizations.

Driver and Rowe (1979) present a more complex model of decision making that takes into account four forces they believe influence the process: the internal and external environment, group interactional behavior, the nature of the particular task, and the needs and behavioral patterns of the individual. In contrast to the normative approaches and mathematical/computer models of the past, they propose a "*Descriptive-Differential* approach which matches the individual decision style, task demands and social factors with the decision process employed and then determines the fit to environmental demands" (p. 143). Here, *decision style* pertains to both the way the decision maker reacts in and to a given situation and the interactive manner he/she adopts with others. Since the model is based on a view of decision making as a political and exchange process, given what has been presented earlier, it appears to have the

potential for wide applicability in today's nonprofit organizations.

One of the more exhaustive studies of strategic decision-making was conducted by a team of researchers on both public and private organizations in England (Hickson, Butler, Cray, Mallory & Wilson, 1986). Their interests were in global questions: Is it possible to describe how top decisions are made? Is each incident unique or is it possible to group situations in some orderly fashion? What influences the way(s) certain kinds of decisions are reached? Are some influencing factors more important than others?

In the end, Hickson et al (1986) determined that both the nature of the issue (its complexity) and the interests attached to and personal investment in those issues by key organizational participants (politicality) explained the course of the decision making. Three modes of decision making, combining kinds of subject matter and types of process, were identified: vortex-sporadic, to address weighty and controversial matters; tractable-fluid, for handling unusual but non-controversial matters; and familiar-constricted, for matters considered normal and recurrent. As examples of each mode, they cite decisions about new products, decisions on inputs (finance and other supplies) and decisions regarding controls (planning and

budgeting), respectively. They also conclude that "certain types of process are more likely in some organizations and less likely in others, because organizations influence the complexity of the problems and the politicality of the interests from which the decision processes arise" (p. 231). Yet, no organization is inherently disposed toward one or the other modes. Thus, we find elements of power, organizational structure, motivation and leadership coming together around this one basic task of decision making.

Concluding Remarks

Lohmann (1992) has attempted to integrate a vision of non-profit organization and voluntary action in his conceptualization of the *commons*, his term for "an economic, political, and social space outside the market, households, and state in which associative communities create and reproduce social worlds" (p. 59). Such formulations encourage dialogue and inspire us to look at familiar objects and constructs in new ways. My hope is to do the same with respect to the board-executive relationship in nonprofit organizations.

Returning to the original discussion of the uses of literature in research, Yin (1989) notes: "Budding investigators think that the purpose of a literature review is to determine the *answers* about what is known on a topic; in contrast, experienced investigators review previous research to

develop sharper and more insightful *questions* about the topic" (p. 20). After this review, I can safely say I have more questions than answers!

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

Introduction

This chapter describes the process of conducting the research study, from the first conceptualization to the presentation of the findings derived from the data. It is divided into four sections: research strategy, sampling, data collection and data analysis.

Research Strategy

The decision to focus on the board-executive relationship in nonprofit organizations, a phenomenon that is not very well understood even by its very participants, dictated the choice of an exploratory design and a heavy reliance on qualitative methods. The fundamental assumption was that more could be learned by operating inductively, that is, to try and advance our knowledge of the problem area through the perspective of those within the systems under study in order to derive valid concepts and develop a workable theory (Epstein, 1988).

Heimovics and Herman (1990) note that "although there is as yet no fully developed theory of nonprofit organizations, the normative literature on effective board action and staff behavior confirms the hierarchical model of responsibility" (p. 59). The most popular perspective is the "managed-

system" model, which provides for the rational delegation of responsibilities from the board to the executive to the staff. However, based on their extensive research on the behavior of nonprofit managers, Heimovics and Herman (1990) opt for a very different viewpoint:

The social constructionist perspective...that we adopt abandons the assumptions of order and rationality of the rational-purposive managed-system model, which holds that the goals and plans formulated by those at the top are regularly implemented by those below. Rather, the social constructionist perspective emphasizes that what the organization is and does emerges from the interaction of participants as they attempt to arrange their part of the organization to fit their perceptions, needs and interests. (p. 61)

Taking into consideration such views in the literature as just presented and my own practice experience, a grounded theory approach was selected for this project. As defined by Strauss and Corbin (1990), this type of theory is "inductively derived from the study of the phenomenon it represents....One does not begin with a theory, then prove it. Rather, one begins with an area of study and what is relevant to that area is allowed to emerge" (p. 23). Furthermore, the main goal of the research is theory generation through comparative analysis; verification and accurate description are significant to the extent they support this primary aim (Glaser & Strauss, 1967).

Another reference point for the study was a conceptual model developed in 1988 out of my longtime interest in gaining a better understanding of the board-executive relationship.

The Power Application Model (PAM) looks at the interplay of two variables: the assets of the executive, which may be structural, personal or relational, and the conditions in the internal and external environment of the organization that could have a real or perceived effect on the agency's tangible or intangible resources. The main premise is that the particular combination of these two factors will determine the way in which the board chooses to apply power in its relationship with the executive. A 2 x 2 matrix is created, with each quadrant representing an interactive style--collaborative, laissez-faire, dominant and partnership, respectively. As this research project progressed, I found some of the terminology pertaining to PAM helpful in sorting out the data. For example, the definition I had given to the key variable of *Executive Assets* in the earlier model was just as appropriate to describe the behavior of the CEOs in the study sites. Nonetheless, the decision to follow the grounded theory approach proved to be a wise one, for despite the possible value of PAM as a predictive tool, its focus on board actions only and its implicit crisis orientation would surely have biased and limited my findings.

Multiple-case study was the specific research strategy chosen. Yin (1989) lists the conditions under which case study is the most desirable choice: "A 'how' or 'why' ques-

tion is being asked about a contemporary set of events, over which the investigator has little or no control" (p. 20).

The attempt to shed more light on the determinants of the board-executive relationship met all three of these conditions. The decision to adopt a multiple-case design recognized the distinctiveness of each board-executive dyad; if the emergent theory were to be useful, it would have to be derived from data that were comprehensive enough to allow for sufficient variation and applicability to different contexts related to the phenomenon (Strauss & Corbin, 1990).

Like other kinds of research, the grounded theory approach starts with a research question, although here it must be considered provisional since it is developed a priori, that is, out of the literature and personal practice experience as opposed to being formulated from a solid empirical or theoretical base. For this project, the central research question was: Are there distinct behavioral patterns that can be discerned in the board-executive relationship around issues of governance and decision making and if so, what are the causal factors associated with each of the different patterns?

Subsidiary to this central question, other lines of inquiry were formulated to address various aspects of the phenomenon

on an operational level, again drawing on the limited literature and my own experience with the phenomenon:

1. What are the assets the executive brings to the position, how are they manifested, and how are they perceived by the board?
2. What are the strengths, individually and collectively, of the board, how are they manifested, and how are they perceived by the executive?
3. What is the board's decision-making style and how does it compare with that of the executive?
4. Is there a "power elite" within the board and if so, what are the criteria for "membership"?
5. What impact do the agency's organizational structure, technological capabilities, funding base and past history with professional leadership have on the current board-executive relationship?
6. How do the board's values, beliefs, motives and assumptions about their own leadership role and that of the executive compare and contrast with those of the executive about his/her own role and about the board's leadership role?
7. What is the impact on the board and executive, separately and as a unit, of general organizational rules, norms, work arrangements, practices and relationships about governance?
8. Which agency resources, tangible or intangible, are of most concern to the board and to the executive?
9. What kinds of real or perceived threats to these resources generate the most anxiety for the board and for the executive? How is the anxiety manifested?
10. What is the executive's basic coping style in difficult situations and how is that perceived by the board?
11. What are the ways in which the board and executive maintain a state of equilibrium? How do they deal with conflict when and if it arises?

Decision making was singled out for special attention for several reasons. Since it is one of the primary functions of the leadership core (Wernet & Austin, 1991), much can be discovered about the characteristic manner in which the board and executive relate to each other by studying how they address critical issues confronting the organization. Conflict is often a key ingredient in the decision-making process and can be a source of intense organizational stress and dysfunction, especially in times of uncertainty (Janis & Mann, 1977). Yet, conflict can also be a sign of a healthy organization, with the key factor being whether and how the conflict gets resolved (Clark, 1988). Finally, "a decision process involves skills of political activity and an exchange process that allows negotiation" (Driver & Rowe, 1979, p. 145). In tracing the course of a specific decision in one setting, it is possible to identify a pattern of behavior that can be compared with actions under different circumstances, and then these patterns can be extended to other settings to determine the commonalities or lack thereof as an important step in theory building.

Unlike other types of research, in the grounded theory approach, data collection and analysis are intertwined. In short, the investigator does not wait until all the data are in to start the analytical process. Instead, the data analysis helps to focus and refocus the direction of the

study. The main process by which theories are built from data is coding, which "represents the operations by which data are broken down, conceptualized, and put together in new ways" (Strauss & Corbin, 1990, p. 57). The first level is called open coding, in which categories or classifications of concepts are identified. In turn, these categories have properties or attributes that must be detailed; properties are then separated into dimensions. During the axial coding stage, connections are made between the categories, and at the level of selective coding, theory building takes place out of the integration of the categories (Strauss & Corbin, 1990).

Just as one needs a central research question to guide the investigation, specifying in advance certain categories that describe different elements of the phenomenon can help in shaping the research design. In this regard, Kramer's (1985) contingency theory was especially useful in composing a preliminary list of categories, a number of which, such as Executive Tenure and Board Composition, did surface in the course of the study as directly related to the way boards and executives interact, thereby providing "strong, triangulated measures on which to ground the emergent theory" (Eisenhardt, 1989, p. 536).

Other constructs were identified to fit aspects of the phenomenon observed during the study itself. For instance, it became apparent that each CEO made an effort to give the trustees a sense of key operational matters, although in his or her own fashion and with varying degrees of frequency and detail. This set of behaviors was labeled *Board Educating*. It further became clear that each Board differed in its interest in and desire for this kind of information, which I called *Board Operational Awareness*. Over time, I recognized these two constructs were connected. That is, if the executive made a real point of educating the Board, the trustees not only became more knowledgeable about the agency but also sought to learn still more; conversely, if the executive tended to present limited information infrequently and/or conveyed the impression that certain areas were outside the Board's purview, the trustees seemed to accept these conditions as the norm and did not often press the issue. Later on, I incorporated both of these constructs in a larger category, *Board Empowerment*.

The coding process as applied in this study is illustrated in great detail in the individual site profiles (Chapters 4 to 7) and in the cross-site analysis (Chapter 8).

Sampling

In a grounded theory study, sampling is guided by the main research question. As noted by Strauss and Corbin (1990), "the aim of theoretical sampling is to sample events, incidents, and so forth, that are indicative of categories, their properties, and dimensions, so that you can develop and conceptually relate them" (p. 177). Therefore, in identifying study sites my main concerns were twofold: 1) to find situations in which the leadership core was grappling with a range of decision-making activity broad enough to allow for the possibility of variation in behavioral patterns and 2) to find stable enough situations that would permit me to focus on the board-executive relationship under more or less normal conditions, that is, in the absence of a crisis. This is an important distinction because my own practice experience has shown there is a considerable difference in the dynamics between the board and the CEO when the agency is facing a true crisis, such as a threat to the organization's legitimacy or very existence (Golensky, 1988, in press).

The Research Sites

In attempting to balance research considerations and the practical matters of time and limited resources, I ended by selecting four study sites, in each of which the leadership core was facing at least one major issue with long-term

implications for the organization at the point of my original contact--a serious decline in revenue, the impact of a significant structural change on program and finances, accreditation and reorganization of services, respectively. These agencies share a number of basic characteristics: 1) All are in the Northeast in small urban centers; 2) All have salaried chief executive officers with tenures of over three years and volunteer Boards; 3) All are private, voluntary agencies; 4) Children, youth and families represent the major client groups for all four; and 5) Three of the sites have budgets of approximately \$2-million.

On the other hand, as the following thumbnail sketches will show, there are enough significant differences among the sites in overall philosophy toward governance as well as in the specifics of the board-executive relationship that I was able to gather meaningful data to illuminate the concepts suggested by the provisional research questions. The sketches, which are in chronological order of the sites' agreeing to take part in the study, highlight the main variations; detailed agency profiles are presented in Chapters Four through Seven:

SITE 1

The Suburban Service Network (the "Network") has been providing a variety of individual and family services to the

surrounding county for the past thirty-eight years. The county is one of the most affluent in the state, which is reflected in the Board composition; the majority of the twenty-eight trustees hold or are retired from professional or managerial positions. The Board is almost evenly divided between males and females. The current Board chair is female. The CEO, also female, joined the organization almost seven years ago as only its second executive.

The agency's financial health has been a concern of the leadership core for some time--a concern exacerbated by a recent decline in United Way support. Yet, by year's end, a surplus was projected, and a new budget of \$3.5 million approved. In January 1990, a new Board/management structure, the Corporate Model, went into effect. The main feature of the Model is the strict separation of policy and operations, with the Board responsible for the former and the executive, for the latter. Although the CEO believes the change has been positive, after more than two years, some trustees still seem to be confused and ambivalent about the structure.

SITE 2

The Greenville Neighborhood Center (the "Center") celebrated its fiftieth anniversary in 1991. In both program content and service delivery, it resembles the traditional settle-

ment house. All Board members must either live or work in the immediate area, which is a blue-collar community with a population of about 53,000. Males and females are equally represented on the twenty-eight-member Board. The Board president and the executive are male. The CEO has held his position for almost twenty years, having been promoted from the staff.

To meet a budget of just under \$2 million, the agency relies heavily on state and Federal grants and on its United Way allocation. Recently, a major expansion of the primary facility was completed with a combination of private and public monies and bank loans. The most salient characteristic of the organization's governance style is the lack of a rotational policy. As a result, the majority of the members have been on the Board for over ten years, and there is little turnover.

SITE 3

Founded in 1847, the Society for Family Restoration (the "Society") serves a five-county area, providing temporary residential care for children who are unable to live at home. The major source of revenue for its approximately \$3-million budget is government contracts, which are supplemented by private contributions and interest from a very

substantial endowment fund. It is the only one of the four sites that is not affiliated with United Way.

There is a unique tripartite Board structure: a forty-five member, all-female Board of Managers; the Associates, former Board members who choose to stay involved; and the Counselors, all men, who advise the Board, especially on major financial transactions. Although elite in composition, this is the epitome of a working board, with a highly evolved committee system and clear expectations for participation. The current and first male executive has held his position for fifteen years.

SITE 4

The Coalition against Child Abuse (the "Coalition"), whose primary focus is obviously child abuse, is located in the same area as the previous agency but is as far as possible on the other end of the spectrum in terms of financial security and structure. Started in 1973 and incorporated two years later, the organization still has a grass-roots quality. Government grants, United Way support and program income are the main sources of revenue to meet its budget of under \$250,000. Both the executive and the Board president are female, as are most of the trustees. The CEO had a previous association with the agency; she returned about seven years ago after earning her M.S.W.

Social service professionals are in the majority on the 24-member Board. Significantly, the By-Laws permit the appointment of "representatives selected from community agencies." As a result, several trustees seem to have little allegiance to the organization even though they are committed to its mission. This has been a pivotal year for the site. First, it went through an intensive program planning process and then began a review of its entire governance structure.

Issues of Access

Given the nature of the study, I was prepared to encounter some difficulty in gaining access to sites. In reality, I received permission from the four executives and Boards with surprising ease, by a combination of judicious selection, strategic actions and plain luck. Two of the agencies are headed by longtime professional colleagues known to have a strong interest in the topic of the research project. But the overriding factor in seeking out these sites was my awareness of at least one incident in each organization's past in which the Board and executive successfully resolved a major conflict. In approaching the two CEOs, I made a point of attributing the happy outcomes of those earlier situations to the executives' personal and professional skills, which disposed these individuals to make a strong case to their Boards for participation in the project.

For the remaining two sites, which are located in the same general vicinity, the initial contact was to the director of the social work program at a local college. She not only helped to identify possible subjects but once I determined which were of greatest interest, she offered to call the executive at one of the agencies, where she happens to be a trustee, to ascertain his willingness to discuss participation and allowed me to use her name in making the first call to the CEO at the other site.

An important perspective on the issue of access is provided by Alderfer and Smith (1982). With regard to research on organizational behavior, the authors believe that techniques derived from experiential group dynamics and action research, which take into account the interpersonal relationship between investigator and respondent in attempting to solve problems of specific organizations, can be usefully adopted by those engaged in basic research, whose aim is to increase general knowledge of human behavior in organizations. In this way, it is possible to increase the likelihood of obtaining otherwise unavailable data about intergroup relations embedded in organizations. In their view, "investigators can develop better theories about human behavior and organizations if they change their traditional research roles and if this change reflects a noncollusive

respect rooted in mutual exchange between respondents and researchers" (p. 37).

I was mindful of these recommendations in establishing my relationship with the study subjects. First, the agencies were assured that strict confidentiality would be maintained with regard to the organizations, their communities and the identities of all respondents. I code-named the sites as noted above in the brief profiles, and their locations as Big Town, Greenville, Riverside and South Riverside, respectively. For individuals, I used a descriptive term, such as the position held within the organization or a professional title, and the first initial of the first name. Second, I promised to provide each one with periodic reports on my findings pertaining to that site only, limited to aggregate statistical data and verbatim comments with no attribution, as long as this did not compromise the integrity of the research. The executives and Boards reacted very favorably to these "bargaining points," especially to the offer of feedback, which gave them a sense of mutual benefit in the process. As it turned out, I delivered one report per site, at the last Board meeting of the year, and learned a good deal more about the agencies from the responses to the presentation.

Especially in this type of study, establishing a good rapport with the respondents is vital to gaining their cooperation. An early decision to select sites in which the board-executive relationship was relatively strong rather than places where there was a pronounced strain within the leadership core made it possible for me to share my research goals in a forthright manner. As a result, the trustees and CEOs seemed comfortable with my being present at a meeting or in speaking openly, both in formal settings and in private conversations, about their concerns because they understood I was looking for the keys to their organizational success in order to help other organizations enjoy a similar level of effectiveness. During the entire observation period, I was denied the opportunity to attend the few meetings of just one ad hoc committee at the Suburban Service Network, and even there, it was later acknowledged this had been an unnecessary precaution. One site did request that I sign a formal agreement spelling out our respective responsibilities, but I never had a problem obtaining any material I requested or in observing at any meetings.

Data Collection

According to Yin (1989), a case study is "an empirical study that investigates a contemporary phenomenon within its real life context, when the boundaries between the phenomenon and context are not clearly evident; and in which multiple

sources of evidence are used" (p. 23). For this project, four different data sources were tapped: archival records, observations, responses to a questionnaire and interviews. This plan was presented to each agency during the preliminary discussions and was approved by all the participants.

Traditionally, grounded theory studies make extensive use of lengthy quotations from participants to uncover salient points. For my project, it was not possible to do this on a consistent basis since the Boards and executives in three of the four sites were uncomfortable with the idea of my tape-recording meetings. Even at the one site that did permit taping, the Coalition, I did not secure this permission until after attending my first Board meeting. Watching me attempt to follow the discussion and at the same time take copious notes changed the CEO's mind because she felt sorry for me!

Since I was aware of the potential sensitivity of many of the issues that come up at board meetings, I was not really surprised by the reaction to my request to tape the sessions, and I had already determined I would not do anything that might have a negative effect on the relationship I was attempting to build at the sites. However, I did need some way to ensure that I would be able to keep track of the progress of the research and my reactions to it. Early on,

I decided to maintain an oral diary consisting of comments and observations taped immediately upon leaving each meeting or concluding an interview; at first, I simply noted what I had seen at a particular site, but later, I added analytical and site-to-site comparative elements. In the end, my diary amounted to over thirty hours of recorded commentary.

In my overall approach to data collection, I tried to be an "active-reactive-adaptive evaluator" (Patton, 1980, p. 110). That is, while I had a plan going into the research study, I also looked for the creative opportunities that were presented over time. For example, I had a general sense I would be combining qualitative and quantitative evidence, but I was not clear exactly how that would occur until I began to gather some of the archival material and saw the questionnaire responses. Since I did not have the benefit of numerous long quotations in building my theory, I relied instead on the accretion of details from the multiple data sources to substantiate constructs and hypotheses. Thus, methodological and data triangulation helped to increase both the validity and reliability of the evidence (Eisenhardt, 1989; Patton, 1980).

Archival Review

I made an extensive review of pertinent archival records at all four sites, with special attention to minutes of board,

executive and planning committee meetings; bylaws; mission statements; board manuals; board lists; financial records; accreditation reports; and any other documents on governance. In all, over two hundred separate records, in nineteen distinct categories, were examined (see Table 26 in Appendix A for a complete listing of the documents reviewed at each site).

As Yin (1989) points out, the archival material has not been produced for the benefit of case study research, but it does often have a specific purpose and is aimed at a specific audience. If the conditions under which a record had been prepared were not obvious, I sought clarification of the circumstances, usually from the executive. To ensure that I would focus on what was most applicable to my work, I developed a document summary form to capture the essentials of a record, both in terms of the actual contents and its significance in a given agency setting. For instance, in reviewing board minutes, notice was taken of the frequency and nature of comments by individual board members in comparison with those of the executive and of the issues that elicited extended discussion. (See Appendix A for a copy of the instrument.)

Observation

In qualitative research studies, "concepts and theories are validated by logical induction and through detailed observation of events and discussion of their meanings with system members" (Epstein, 1988, pp. 188-189). Patton (1980) notes there are five primary dimensions to describe the variations in approaches to observation: the role of the investigator, from full participant to onlooker; the representation of that role to others, from overt to semiovert to covert; the identification of the purpose of the study, from full disclosure to falsification; the duration of the observational period, from a single, time-limited observation to long-term, multiple observations; and the focus of the study, from a narrow emphasis on a single element to a broad, holistic view.

For my project, there was no appropriate paid or volunteer position to adopt nor did I have the financial resources when I started the fieldwork to become a full-time participant observer. Yet, I wanted to be visible enough to gain the confidence of the Boards and executives, so that I could get as close as possible to an insider's view of the board-executive relationship at the study sites. Therefore, in my letter requesting permission to include the agency in the study, I was direct about my role, the purpose and focus of my work, the expected timetable for the different phases of

the effort and the cooperation I would need for a successful outcome (see sample letter, Appendix A).

Once I secured this permission, I obtained the schedule for Board meetings at the study sites and conferred with the CEOs about the timing of my first formal visit. In all cases, the formal observation period extended from fall 1991 through June 1992. At three of the sites, the executives had involved key Board members in the decision over my request, which was reflected in the way I was introduced at the first meeting I attended and the reception I received from the trustees. At the Network, in contrast, my presence was noted almost in passing. Sometime later I learned the CEO had informed the new Board Chair that I would be using the agency for my project but had not felt it necessary to include her in the decision process, with the result that it was several months before I felt I had established some rapport with the Chair.

From the beginning, I attended the monthly Executive Committee meetings at the Society and the Coalition, the only two sites whose Executive Committee met on a regular basis. The determination of which other committee(s) would be most valuable to observe took two different directions. At the Center and the Coalition, the CEOs offered their suggestions, and I followed their advice to attend meetings of the

Personnel Committee and the Planning Committee, respectively. At the Society and the Network, the decision developed from my early observations. Once I had identified critical issues that were germane to the study, I approached the chair of the Future Planning Committee at the former and of the Planning and Evaluation Committee at the latter. Eisenhardt (1989) refers to the altering of data collection methods during theory-building research--for example, adding questions to an interview protocol or even new data sources --as "controlled opportunism" (p. 539).

My original plan had been to observe at least three Board or Executive Committee meetings per site, but very soon after starting the actual research, I decided to attend as many meetings as I could manage. This decision was based on the realization that the more often Board members saw me, the less they noticed me; they less they were conscious of my presence, the more they seemed to feel free to be themselves. Even though qualitative research methods are considered less intrusive than quantitative methods, within the confines of a conference room, I anticipated that it would be hard to become "the invisible woman," but somehow it did happen, and rather quickly. At times, the executives themselves seemed quite surprised by this development. For example, the Center's CEO had cautioned me beforehand about being too open in discussing the study's purpose with his

trustees because he thought they would become inhibited. However, at one of the first Board meetings I attended, a trustee became very vocal in criticizing his colleagues and the CEO for what he felt was a slight. My being there was clearly not an inhibiting factor! Later, the executive expressed his amazement that the Board member had acted in such a fashion when I was literally sitting next to him.

Reflecting back, I believe I was able to gain almost total acceptance in a relatively short time through a combination of several factors, some of which were deliberately introduced and others purely circumstantial. An important ingredient was the awareness on the part of the CEOs and the trustees of my extensive background as an executive in agencies similar to theirs and as a board member. This afforded me considerable credibility. I drew on this experience in framing questions and also used it as a point of reference in formal and informal conversations. I knew the vocabulary, which made communication easier. Because I had lived through many of the same kinds of programmatic and financial situations that they were now addressing, there was an unspoken feeling that I understood them and was not judgmental.

I also made a conscious effort to maintain a professional demeanor in both manner and attire during the course of the

observation period. Although I did accept invitations to attend social events at the agencies, I did not socialize otherwise with the executives or the trustees. Even when I was given my own board manual, as happened at one site, or discovered I had been placed on the mailing list to receive announcements of meetings and informational packets, which became the practice at three of the agencies, I did not presume to have any special rights beyond those I had negotiated prior to the study. And I always dressed as a professional, not a student.

On the other hand, my being a student made me seem much less threatening than had I approached the organizations as a pure researcher. The fact that I was not affiliated with a nonprofit at the time of the study also afforded me a kind of neutrality. As a result, both the executives and the volunteers used me as a sounding board for their ideas, concerns, dissatisfactions and hopes regarding their respective settings. Particularly at the two sites that were closest to me geographically, the Society and the Coalition, where I was able to attend many more meetings, I found that some Board members began to seek opportunities for conversation rather than to wait for me to engage them in discussion. For all the sites, it became my custom to meet with the executives prior to and/or after meetings to review what might take place or what did occur. At these times the CEOs

often asked for my reaction to pending issues or actual incidents but did not press for a response that might have gone beyond the limits of my role.

While I enjoyed the closeness that grew over time at the two Riverside sites, I was mindful of the responsibility to retain my objectivity as a researcher. It was especially difficult at the Coalition to keep a proper distance, for on several occasions I found myself the most knowledgeable person in the room when various administrative matters were being raised. At the point this site decided to review its board-executive relationship, I was perceived as a potential resource, which necessitated frank discussions with the CEO and the Board Chair to reestablish the appropriate boundaries so that I could continue my observer status. The same problem did not surface in the other three sites, in part because they were not dealing with an issue so pertinent to this research and in part because their organizational styles were somewhat more formal.

Overall, as represented in Table 1, I observed a total of 32 Board meetings, 15 Executive Committee meetings and 23 meetings of other Board committees. At the Society, I also attended three other events, a business meeting of its advisory board and two social occasions, and I was present at the Network's orientation for new trustees. As noted

Table 1
Two Data-Gathering Techniques

<u>Site</u>	Observations					
	Board Mtgs. (#)	% of Tot. Mtgs.	Exec. Comm. Mtgs. (#)	% of Tot. Mtgs.	Other Bd. Committee Meetings (#)	% of Tot. Mtgs.
Network	8	80	1	33	4	100
Center	6	86	1	Unk.	6	83
Society	8	89	7	78	6	86
Coalition	10	100	6	67	7	88

Notes: 1) The percentage of total Board and Executive Committee meetings was derived from the number of meetings attended out of the total available number, that is, of the meetings that were held from the beginning of the observation period at each site until June 1992.

2) The percentage of total other Board committee meetings was derived from the number of meetings attended out of the total number held from the point of first observation, which varied from site to site, until June 1992. For example, I started attending meetings of the Planning and Evaluation Committee at the Network in February and was present at all four meetings held from then to June.

3) The percentage of attendance at other Board committee meetings at the Center reflects meetings of the Personnel Committee only (5/6). The total number of other committee meetings attended includes one Finance Committee meeting.

<u>Site</u>	Board Questionnaire		
	Number Distributed	Number Returned	% of Returned
Network	28	19	68
Center	28	20	71
Society	44	40	91
Coalition	24	12	50
	<u>Total</u>	91	73

- Notes: 1) All returned questionnaires were in usable form.
- 2) The questionnaire was distributed for all sites in January 1992 to the most recent list of Board members available at that time.

earlier, I taped only the Coalition's meetings. For all four study sites, I took notes in longhand during the sessions and later added codes in the margins as I identified particular constructs and categories of behavior. Rather than writing separate field notes, I relied on the oral diary, described above, to record my impressions and to indicate areas for clarification or further exploration.

Board Questionnaire

Although the use of a self-administered questionnaire as a data-gathering technique is more typical of quantitative research, I chose to include one for the trustees taking part in this study because I felt the complexity of the board-executive relationship in nonprofits could be captured effectively in that format. In addition, because of the potential for bias due to my extensive practice experience as a nonprofit CEO, I wanted to ensure a counterbalancing perspective. In making the case for using both qualitative and quantitative evidence in grounded theory studies, Eisenhardt (1989) points out:

Quantitative evidence can indicate relationships which may not be salient to the researcher. It also can keep researchers from being carried away by vivid, but false, impressions in qualitative data, and it can bolster findings when it corroborates those findings from qualitative evidence. (p. 538)

There were political and practical considerations as well. The broad interest in the effort on the part of Board members during the preliminary discussions pointed to involving

them all, rather than relying solely on interviews with selected individuals to obtain self-reported data. Since the distance from my home to two of the communities was a possible limiting factor in the number of interviews for the agencies in those locations, this approach offered the trustees at all four study sites a common communications link with me. Moreover, a mailed survey questionnaire seemed to be a nonthreatening way to promote group ownership of the project and at the same time, to collect the aggregate data I would need to meet my obligation to provide feedback at the end of the observation period.

The questionnaire was constructed by using the information suggested by the list of study questions as the basis for the different items. Each of the first twenty-two questions addresses an element of the decision-making process. For instance, question #2 deals with motives for board participation while #8 is concerned with views on task differentiation. The last page consists of four questions covering demographics. Both fixed-alternative and open-ended questions were included, with approximately half of the items asking for information about the board alone and the remainder, for data about the executive and/or the board-executive relationship. (See Appendix A for the instrument.)

So that there would be a degree of familiarity with me and the project beforehand, the questionnaires were distributed to the trustees at the organizations' January Board meeting, to allow for a few site visits to have occurred. At all four sites, I had an opportunity to describe the purpose of the questionnaire and answer questions. Questionnaires were subsequently mailed to any Board members who had not attended the meeting. A total of 124 questionnaires were given out, and ninety-one were returned, all in usable form, for a 73% response rate (see Table 1).

The consequences of the decision by the Network's CEO not to involve the Chair in early discussions about this study were felt in conjunction with the distribution of the questionnaire at that site. A few days before the January Board meeting, the executive contacted me to say the Chair was unwilling to have me distribute the questionnaire without examining it in advance and having an opportunity to determine whether it was a worthwhile enough endeavor to endorse. Although I had some initial reservations about possible contamination of the instrument, compliance with the request seemed the only politic thing to do. In the end, it became clear that the Chair was using this situation to demonstrate her authority, for she only scanned the questionnaire before encouraging her colleagues to complete it. The incident turned out to be significant in itself, representing the

first hard evidence of problems in the relationship between the top professional and the top volunteer.

Interviews

A basic tool of qualitative research is the interview, whose purpose is "to allow us to enter into the other person's perspective. The assumption is that that perspective is meaningful, knowable, and able to be made explicit" (Patton, 1980, p. 196). Yet we must recognize human fallibility--the possibility that a respondent may give a biased answer or have poor recall of certain incidents or have difficulty in articulating his/her thoughts--which underscores the importance of using the interview as but one of several data collection techniques (see Yin, 1989, pp. 88-91).

For this study, I decided to use an open-ended interview that was a hybrid of the focused and standardized types. The advantage of the focused interview is the opportunity to corroborate facts that have already been established while the standardized interview minimizes variation of responses (Patton, 1980; Yin, 1989). This approach seemed to offer the best way to cover all relevant areas as suggested by the study questions, which served as the basis for constructing the interview schedules, across four sites that shared some characteristics but were clearly different in their governance and decision-making style; at the same time, it was

flexible enough to accommodate issues that surfaced during the study.

At the end of the questionnaire, there was a request for the Board member to volunteer for an interview. Allowing the trustees to volunteer to be interviewed was a bit of a gamble since initially I was most interested in talking with individuals who held or had held leadership positions in their respective organizations and/or were considered influential by their peers. In the end, more people volunteered than time permitted me to interview, and I was able to choose the people who could provide the most useful information. Shortly after starting the fieldwork, I broadened my ideas of which ones would be most helpful to include some newer Board members who were not part of the "inner circle" and thus could provide a contrasting perspective to the trustees of longer tenure. In addition, I interviewed all four CEOs, with an interview schedule that paralleled the one for the trustees, so that I could compare responses by Board members and the executive on the same topics. (See Appendix A for both instruments.)

The subject pool of Board members encompassed a good mix in terms of age, occupation and length of service on the board. Since minority representation at all four study sites was low, this was of course reflected in the interviews, with

just one African American. Overall, I conducted twenty-two interviews--six males and sixteen females. This represented 18% of the trustees for the combined Boards and 51% of all who volunteered to be interviewed. The four current Board leaders were included in the mix. Fourteen of the trustee interviews were conducted at the agency, seven at the interviewee's place of business and one at the interviewee's home. Three of the executives were interviewed at the agency and one off-site at a restaurant. Each trustee and CEO interview lasted for about an hour.

At the Network, I interviewed four white female and two white male Board members. All of the women held leadership positions at the time; one of the men had recently chaired an ad hoc committee and the other was an active member of the Planning and Evaluation Committee. One woman described herself as a "professional volunteer," one was an educator, the third was a manager in a corporate setting and the fourth was retired from a management position in business. One man was an attorney, and the other, a manager in a bank. One female was in her 30's, one female was in her 40's, the two males and the third female were in their 50's and the fourth female was in her 60's.

There were five trustees interviewed at the Center, two females and three males, all white. One male, in his 20's,

was a relatively new Board member and was active on committees but did not hold a leadership post; he was an executive in his family's business. The two women, one of whom was a retired teacher and the other an administrative assistant in a government agency, were both in their 60's and both were past Board Presidents. A second male, a manager in a corporate setting, was in his 50's and a Board officer at the time. The third male, in his 60's, owned a small business; he was also a past Board President.

Six trustees, all white and all female, were interviewed at the Society, five of whom were presently holding leadership positions and the sixth had been an officer in the recent past. Two were in their 40's, three were in their 50's and one was in her 60's. One was an educator, a second was a retired nonprofit professional, and the rest described themselves as homemakers or volunteers.

At the Coalition, I interviewed five trustees, five females and one male. One of the women, in her 40's, was the lone minority in the subject pool; she was currently an officer and was employed as a nonprofit executive. Two other females, also in their 40's, were officers at the time; one was an educator, and the other, a nonprofit professional. The fourth female was in her 60's and was senior staff at a government agency; she did not hold a leadership position

but was active on the Planning Committee. The male was in his 30's, an attorney and a relative newcomer to the Board. I requested the interview after observing him at Board meetings because I felt he was an emerging leader.

In the original design, I had intended to include interviews with three or four key individuals in each community, such as a United Way executive or a funder, for the purpose of providing some sense of the external environment in which agency decisions must be reached. However, after conducting five such interviews, four in the same community, I sensed I was receiving guarded and fairly simplistic responses.

Since I did not have the time to cultivate relationships with these individuals, which might then have yielded useful insights, I abandoned this effort and concentrated on the interviews within the study sites for both the internal and external perspective, supplemented by clippings from local newspapers.

Before leaving the section on data collection, it should be noted that one field test of the questionnaire and the interview schedule for the board was conducted, with a colleague who was a trustee at a social agency serving a client population similar to that of the four study sites. In addition, both instruments were reviewed as part of the

project proposal; recommended adjustments were made at that time.

Data Analysis

As already mentioned, in a grounded theory study, analysis of data is an ongoing process that starts at an early point in the effort and is intertwined with data collection. Data analysis was pursued in accordance with the procedures set forth by Miles and Huberman (1984) to address "three concurrent flows of activity: data reduction, data display, and conclusion drawing/verification" (p. 21). In other words, these three analytic activities and the data collection itself "form an interactive, cyclical process" (Miles & Huberman, 1984, p. 22).

One attribute closely associated with researchers engaged in grounded theory studies is *theoretical sensitivity*, which is the special awareness that can be brought to bear on the data analysis, the ability to perceive certain nuances not readily available to the casual observer, based on a thorough review of the applicable literature, professional experience and sometimes personal experience (Strauss & Corbin, 1990). In this case, I was able to draw on close to fifteen years' experience as a nonprofit executive, more than ten years' experience as a trustee for nonprofit organizations and an intensive review of the literature for the

past four years.

While at first theoretical sensitivity is a quality that is derived from one's background and then carried into the new situation, it is heightened during the course of the study, for "insight and understanding about a phenomenon increase as you interact with your data" (Strauss & Corbin, 1990, p. 43). However, it is equally important in building good theory to maintain a kind of scientific rigor by following accepted practices in data collection and analysis. To that end, my work has been guided by recommendations and suggestions from several sources, most notably Eisenhardt, 1989; Miles and Huberman, 1984; Patton, 1980; Strauss and Corbin, 1990; and Yin, 1989.

The initial step was to name different aspects of the phenomenon, that is, assign labels to various groupings of related concepts or categories--the process that Strauss and Corbin (1990) call open coding. For example, I adopted the term *Board Educating* to cover such discrete CEO behaviors as **preparing informational materials, giving verbal or written reports at meetings, responding to questions from trustees, and initiating discussion on operational matters**. As indicated earlier, although some of these categories were developed in advance through the literature review (with Kramer's (1985) contingency theory being particularly useful), prac-

tice knowledge and the formulation of the study questions, most were identified, or at least given a specific label, in the course of collecting the data. The final list of twenty-four categories, which are described in detail in Chapters Eight and Nine, was refined by experiences in the field. No category was included in the final list unless there were at least two different data sources corroborating it. Over the course of the study, I wrote the applicable category codes in the margins of the notes I took during observations of meetings, returning to different sets of notes as often as necessary to complete the process.

When I first entered the field, I had had only a very general idea of how I might use my time on any given day, but a kind of routine did develop as the weeks passed. For practical reasons, a visit to the Network or the Center, the sites that were some distance from my home, was tightly structured to allow for observation, archival review, one or more formal interviews and informal conversation with the executive. This did not prove as necessary for the remaining two sites that were closer to me since I was able to make many more visits and therefore could adjust my schedule more easily to accommodate an unexpected development. By chance, the Executive Committee met monthly and the other Board committee I was observing met more frequently at the latter sites, with the result that I accumulated more obser-

vational data for the Society and the Coalition. The amount of archival material I collected was approximately the same for all four sites. As indicated in Table 1, the number of returned questionnaires varied from site to site.

To organize the data, I used the document summary form for each record I reviewed, and the oral diary, to which I referred earlier, served the purpose of the more traditional field notes, that is, as "an ongoing stream-of-consciousness commentary about what is happening in the research, involving both observation and analysis" (Eisenhardt, 1989, p. 539). I considered but rejected the use of a computer software program to handle some of the more mechanical analytical tasks because I found the idea of entering the text data I had amassed before obtaining the software too daunting, but I would recommend that alternative to any researcher just starting out. Instead, I became a "human computer." Through constant reading and rereading, I developed such familiarity with the data that it was possible to locate whatever item(s) I needed with relative ease. Finally, the preparation for the feedback reports I delivered at each site at the June Board meeting was a very helpful step in managing the data.

To combine the activities of data reduction and data display, Miles and Huberman (1984) recommend the use of a

variety of visual aids that assemble the information "in an immediately accessible, compact form, so that the analyst can see what is happening, and either draw justified conclusions or move on to the next-step analysis the display suggests may be useful" (p. 22). I developed several such displays, drawing information from all four data sources as appropriate to the particular table or figure. Following are brief descriptions of the displays included in the individual profiles of the study sites (Chapters 4-7):

- 1) Board Profile--gives the composition of the Board by gender, ethnicity, age and occupation (quantitative data, drawn from archives and observation)
- 2) Board Opinions on Separation of Powers--records responses to five statements having to do with operations and policy using a Likert scale (quantitative data, drawn from board questionnaire)
- 3) Board Perceptions of Governance Responsibilities--records views on which part of the leadership core has primary, contributing or no responsibility for key functions within four management areas (quantitative data, drawn from board questionnaire)
- 4) Board Perceptions of Characteristics of a Good Executive--identifies the primary characteristics by frequency of response (quantitative data, drawn from board questionnaire)

5) Generic Decision Path--graphically shows the progression of decision making through the stages of inception, deliberation and resolution (qualitative data, drawn from all four data sources)

6) Critical Issues Addressed by Leadership Core--shows in tabular fashion the chronological course of each issue from antecedent events through complete or partial resolution of the problem (qualitative data, drawn from archives, observation and interviews)

The first table provided general context for a better appreciation of the data. The next two were helpful in understanding each organization's rules, norms and practices. The fourth table enabled me to see what the trustees valued in an executive and then to compare this with their attitudes toward their own CEO. The last two displays were very instructive in capturing the idiosyncracies of decision making at each study site.

In addition, I created three tables that helped me look at related aspects of the phenomenon in juxtaposition to each other. The insights I obtained are part of the narrative in the profile chapters, but samples of the tables are presented in Appendix B. Here are brief descriptions of these displays:

1) Definition of "Working Board" and Applicability to Site--considers individual responses to items #9 and

#10 from the board questionnaire, divided between theoretical and concrete answers; provides a sense of the Board's perception of its role and responsibilities and its view of the agency

2) Appraisal of Board Performance by Selected Board Members and the CEO--draws on three questions from the interview schedule as well as general comments made during the interview; allows for comparison between the trustees and the executive on the same item

3) Maintaining a Sound Board-Executive Relationship--uses responses to items #19, #20 and #21 from the board questionnaire to gain understanding of trustees' perceptions of what is necessary for a sound relationship and then to compare/contrast with views of executive's performance; content analysis of responses yielded five dimensions of a sound relationship: interpersonal, administrative, technical, structural and procedural

I then used the tables and figures from the individual profile chapters to develop the displays supporting the cross-site analysis (Chapter 8) and the theory building (Chapter 9).

One of the principles relevant to the problem of establishing the validity and reliability of a case study is to maintain a chain of evidence so that an outside observer "can follow the derivation of any evidence from initial

research questions to ultimate case study conclusions" (Yin, 1989, p. 102). This is accomplished in several ways, by cross-referencing from methodology to narrative and back again, by using multiple data sources and constantly checking one against the other for corroboration of preliminary and even final conclusions and by

getting an initial sense of the main factors, plotting the logical relationships tentatively, testing them against the yield from the next wave of data collection, modifying and refining them into a new explanatory map, which then gets tested against new cases and instances. This is the classic procedure of analytic induction....

At its most powerful, the method uses two interlocking cycles. One is called "enumerative induction," in which you collect a number and variety of instances all going in the same direction. The second is called "eliminative induction," in which you test your hypothesis against alternatives and look carefully for qualifications that bound the generality of the case being made. (Miles & Huberman, 1984, p. 228)

The iterative analytic process just described was followed throughout this study. The oral diary reveals the logical movement from straightforward commentary to analysis to conclusion drawing but also demonstrates the "toing and froing" as a new revelation required rethinking a previous incident. When a new theme surfaced from the data or an earlier element was proven to be more complex than first imagined, it sometimes required adding another dimension to the literature review as well. For instance, I sought more and more references to the process of decision making over

time to help in gaining a better understanding of its different elements.

The middle section of this report consists of individual case studies of the four sites, each of which can stand on its own merits but taken together present patterns of behavior that are then explored in full in the cross-site analysis in Chapter Eight, using quotes from the site participants and references to the literature as support for specific points. By making use of both qualitative and quantitative evidence and four independent yet congruent data sources on a consistent basis, the strategy of triangulation became a standard part of my approach to data collection and analysis.

At each stage, there was a narrowing of the focus as categories were integrated and their properties arranged in various combinations to take into account their dimensional ranges, until a single category emerged that seemed to encompass all of the others. (This clustering process is summarized in Table 30, Appendix B.) Strauss and Corbin (1990) refer to this as developing an analytic story line, with the "core category" being synonymous with the theory that explains the central phenomenon. Considering the four study sites within a holistic framework, I laid out the theory and identified the assumptions that could be drawn

from it, based on the data that had been presented in the earlier chapters. Particularly in writing the last two chapters, as it seemed warranted, I added details to the conceptualizations of the categories to give both density and greater specificity to the theory (Strauss & Corbin, 1990). Finally, I brought closure to the project with a brief epilogue that reported further developments about some of the critical issues left unresolved at the end of the formal observation period.

Concluding Remarks

As this presentation of the methodology employed in my research demonstrates, the grounded theory approach is very flexible and adaptable to the particular circumstances surrounding the phenomenon. The inability to obtain and present numerous long quotes from the site participants was offset by the accumulation of evidence from the four data sources. In my opinion, the theory-building process did not suffer from this modification.

SECTION 2

RESEARCH FINDINGS AND DATA ANALYSIS

INTRODUCTION

As Eisenhardt (1989) notes, "analyzing data is the heart of building theory from case studies....One key step is within-case analysis" (pp. 539-540). The purpose is twofold: 1) to provide a way to pull the enormous amount of accumulated data into a meaningful whole and 2) to capture the special aspects of each case as a prelude to attempting to find common patterns across cases.

Each of the four chapters of the second section is then a stand-alone case study of a single site. Through the use of a variety of descriptive, analytical and interpretive techniques, incorporating both narrative text and display formats, there emerges a holistic portrait of the organization and its approach to governance (Patton, 1980). To facilitate cross-case comparison, which is presented in Section 3, each chapter in this section is divided into three parts: The Internal Context, The Leadership Core and Dynamics of Decision Making.

The Internal Context

The first part delineates the organization's structure, history and demographics. Programmatic and financial information is provided to set the stage for the subsequent discussion of the research findings.

The Leadership Core

Here, the Board and the chief executive officer are characterized in both quantitative and qualitative terms, that is, by means of statistical data and through the words and actions of the key participants as captured in archival material, observations, survey responses and interviews.

Lay and professional values, beliefs, motives and assumptions about leadership are explored within the context of organizational rules, norms, work arrangements, practices and relationships regarding governance.

Dynamics of Decision Making

The final part focuses on the critical decisions addressed over the course of the observation period, that is, on those issues that have (or appear to have) long-term consequences for the organization. These decisions are traced from the point of origin through the processes of deliberation to resolution, where possible, with particular emphasis on the respective decision-making styles of the Board and executive.

Although this is an exploratory study, as Miles and Huberman (1984) note, "field research typically has both a *descriptive* and an *explanatory* function. The researcher wants to depict the local context and what happens within it and to

disclose the rules and reasons that determine why things happen the way they do" (p. 132). Therefore, the discussion captures not only the chronological evolution of a particular decision but also the relevant causal factors and interpersonal dynamics.

The Internal and External Environment

While the manner in which a particular organization arrives at a decision may be idiosyncratic, it is fair to say that on a conceptual level, decision making in social agencies has some characteristics that are not site-specific. First, the process is interactive, even in those cases where a single person has been the driving force in bringing the issue to the fore. Second, there are discrete stages in the process, moving from the identification of the problem to a consideration of alternatives to the selection of a plan of action, although the amount of time devoted to each stage may vary and in some instances, a step may be eliminated altogether. In addition, the process does not occur in a vacuum. As indicated above, the context, both internally and externally, must be considered. (See Chapter 2 for a fuller discussion of the concept of decision making.)

Taken as a whole, Section 2 emphasizes the internal environment, as the governance and decision-making processes of each agency's leadership core are examined within the broad-

er framework of organizational culture. As defined by Schein (1985), *culture* refers to:

a pattern of basic assumptions--invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration--that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems. (p. 9)

However, to achieve a fuller understanding of participants' behavior, it is important to look at the external environment in which these actions took place. On a macro level, the economic picture has been very bleak. With the Federal government finally admitting that the country was in the grip of a recession, the pressure on social agencies increased to provide more services with fewer resources. Many agencies experienced cutbacks not only in government funding but also in United Way allocations, as corporate contributions decreased in reaction to lower sales. Furthermore, the number of corporations and businesses was reduced through mergers, acquisitions and bankruptcies, which also affected United Way's program of payroll deduction. As for foundations, the climate of the times propelled many to increase the tendency to fund specific programs of interest instead of providing grants for general support.

On the micro level, perhaps the most significant occurrence affecting social agencies was the scandal at United Way of

America involving allegations of improprieties on the part of the organization's longtime president, which resulted in his resignation. Legitimate questions have been raised not only about the former CEO but also regarding the national board, especially the manner in which it exercised its oversight responsibilities. The fallout, in terms of the general public's loss of confidence in the organization, has been just as keen for the local United Ways, although the full impact will probably not be felt until the upcoming fund-raising campaign. Recognizing that many donors may decide not to make a contribution or at least to cut back on their gifts, a number of the locals have instituted damage-control practices such as taking a hard look at their own management and tightening up any procedures that might be suspect. In addition, some have elected to withhold dues from the national organization until certain changes have been made. For example, the United Way of which the Suburban Service Network is a member has issued a position statement linking future dues payments to a restructuring of the United Way of America's board and to a clearer delineation of governance responsibilities.

The potential long-term consequences of the United Way scandal was a topic of discussion at all four study sites, even though only three receive United Way support. One likely outcome was articulated by the president of the

National Charities Information Bureau, Kenneth L. Albrecht, in a New York Times article on the scandal: "One of the impacts of the United Way situation will be that not-for-profit boards will look more closely at facts and will probably be even more attentive than many of them have been in the past" (April 19, 1992, p. A10). Interestingly, the Society for Family Restoration, the non-United Way agency, was highly successful in this year's fund-raising drive, and the board members responsible for the effort speculated that the extensive publicity in the local media stressing the agency's solid reputation may have been a key factor.

As each case study unfolds, pertinent aspects of both the internal and external environment will be identified, particularly as they affect decision making and governance.

CHAPTER FOUR: SUBURBAN SERVICE NETWORK

The Internal Context

The Suburban Service Network (the "Network") is a voluntary nonsectarian agency whose purpose is "to strengthen and support families and individuals in dealing with a variety of individual, interpersonal, or social problems" (Mission Statement adopted by Network board, October 28, 1991). To carry out its mission, the agency provides such programs as adoption and children's services, Big Brothers/Big Sisters, family counseling, home care, youth residences and senior services. The Network also engages in advocacy and outreach efforts.

The agency was incorporated in 1954 after an extensive needs assessment demonstrated that family services in the surrounding county were fragmented and inefficient. By any number of standards of operational success--budget, staff size, services provided, etc.--the Network has experienced remarkable growth from its modest beginnings with a professional staff of two. At present, the administrative staff and some program personnel are housed in the organization's headquarters in Big Town, a moderate-sized community of about 50,000. The remaining program staff work out of offices in four other locations throughout the county. While there is no shortage of clients for the Network's

services, the county itself is one of the most affluent in the state.

Since its inception, the Network has taken a very deliberate approach to either geographic or service expansion, moving forward only after a request from a funder, another service provider or representatives of the community or agency in question. In other words, it has not been agency policy to seek opportunities for expansion. Possibly as a result of this somewhat reactive posture, the Network does not seem to enjoy widespread name recognition in the county. In fact, this was a major consideration in the agency's being advised not to embark on a capital campaign at this time. According to the feasibility study it commissioned, "the agency has a good story to tell but the external public's awareness...is incomplete or impaired, which represents a serious obstacle to effective fund-raising." The report went on to note that even some of its own board members "were not yet sufficiently familiar or committed to the agency to spearhead...[such an] effort."

Another factor cited in the feasibility study that argued against a capital campaign was the poor economic climate in the county, which was described as "currently awash in a sea of negative economic news." The national recession has indeed been felt locally. This year, for example, a major

plant closing was announced, which is expected to have an impact on the Network's operating budget for the coming year, 11% of which is derived from contracts with corporations. The United Way allocation, which accounts for 16% of the budget, was cut by 10%; an additional 5% reduction has already been factored in for 1992-93.

In fact, the agency's financial health has been a major concern of the leadership core for some time. With only modest reserves upon which to draw, over the summer prior to the start of this research study, the staff had been reduced to a four-day work week to help balance the budget. Despite steady improvement during the year, especially in government contracts and program income, which represent 49% and 10%, respectively, of the \$3.3 million operating budget, the Board maintained a cautious attitude regarding expenditures, as will be discussed in more detail below. However, the year ended on a positive note, with the announcement at the June meeting that there would be a surplus and the adoption of a proposed 1992-93 budget of \$3.5 million, the highest in the organization's history.

The Leadership Core

As depicted in Table 2, the 28-member Network Board is almost evenly divided between males and females. Twenty-four of the trustees (86%) are white; the other four (14%)

are African-American. There are no Board members under the age of 30 and only three (11%) in the 31-40 age group. The majority hold either professional or managerial positions. There is no representation from any of the client groups. While most of those who work outside the home are located within the county, a significant number do commute to a nearby major metropolitan area. When asked through the questionnaire their reasons for serving on the Board, all the respondents checked "We perform a useful service." The next most frequent answers were: "I can meet interesting people," "It offers me a creative outlet," and "I can build business/professional contacts." Overall, 56% of the responses could be classified as service-related, and 44% reflected more personal concerns.

The current Board Chair is a white female in the 31-40 age group. She holds a managerial position in a corporation. She joined the Board in 1989 and served as head of the Planning Committee before beginning her tenure as Chair in the fall of 1991. When asked why she thought she had been elected to her present post after such a relatively short time on the Board, she cited her willingness to do the job and the "fit" between her talents and the organization's needs. She also indicated that she was looking for a place to use her energies since she felt rather constrained at work.

Table 2
Board Profile -- The Network

N = 28

Gender		Ethnicity		Age		Occupation	
#	%	#	%	#	%	#	%
M = 13	46	Caucas. = 24	86	31-40 = 3	11	Homemaker	= 3 11
F = 15	54	Afr.Am. = 4	14	41-50 = 8	29	Mgr.(business)	= 6 21
				51-60 = 11	39	Mgr.(non-prof.)	= 2 7
				60+ = 6	21		
						<u>Professional</u>	
						Accountant	= 1 4
						Architect	= 1 4
						Attorney	= 3 11
						Educator	= 1 4
						Fin. advisor	= 3 11
						Ins. analyst	= 1 4
						Prof. volunteer	= 3 11
						Retired	= 3 11
						Self-employed	= 1 4

*Does not equal 100% due to rounding with small n.

Note: The profile describes the Network Board as of January 1992.

The CEO, a white female in her mid-60's, joined the Network staff in the fall of 1985 as only the second executive in the agency's thirty-eight-year history, succeeding a white male. She holds a master's degree in social work and has had extensive professional and volunteer experience in the not-for-profit field in several different settings. While the present situation between the executive and the Board appears stable, there was a potential crisis early in the third year of the executive's tenure when a personality clash developed with the then-Board President. A former

president stepped in and rallied the Board behind the CEO, thereby averting the crisis.

Organizational Rules, Norms and Practices

In February 1989, an Executive Committee retreat was convened. The impetus was a projected budget deficit for the fiscal year. As a result of the meeting, four task forces were formed to reexamine the mission statement, review existing programs for relevance to current needs in the county, analyze the agency's image and "assess the effectiveness of the Board's structure for sound governance and for appropriate division of Board and staff functions." The Board Structure Task Force met regularly during the next several months and in November 1989 recommended the adoption of new bylaws to establish the Corporate Model as the Network's board/management structure.

The new structure went into effect in January 1990. The main feature of the Corporate Model is the clear separation of policy and operating issues, with the board responsible for the former and the executive, for the latter. As in the corporate world, the chief professional carries the title *president*; the chief volunteer is then the *chair* of the board. Two consequences of this separation of powers are a reduction in the number of board committees and an increase in the authority delegated to the executive (Fram & Brown,

1988). At the Network, the standing committees are Executive, which also handles the personnel function; Development; Finance; Nominating; Social Issues; and Planning and Evaluation, which replaced the individual program advisory committees of the former structure.

Advocates of the Corporate Model, such as Fram and Brown (1988), cite its strengths: increased board professionalism, more opportunities for the CEO to be creative, greater flexibility and efficiency, and a working relationship within the leadership core of trust and mutual respect. Yet, friends and critics alike agree that there is a significant limitation to the Model, namely, providing board members with enough personal gratification to maintain a strong commitment to the agency. Eisenberg (March 10, 1992) takes this concern further by noting that management can become "an end in itself, overshadowing the services to be delivered and the human factor that characterizes public service" (p. 41). In the wake of the United Way scandal, the question of ethics is more salient than ever. With the Corporate Model, there is a danger that the CEO can become too powerful, which places a heavy burden on the board to retain its proper authority through rigorous annual assessments of the executive and an insistence on its preeminent role in setting policy.

All of these elements have been played out in the agency's adoption of the Model. Based on the questionnaire responses and interviews with Board members, there is still confusion and ambivalence about the new structure even after two years of its being in place. When asked on the questionnaire the meaning of the term *working board*, there was a lack of unanimity on the definition. While thirteen of the seventeen respondents (76%) were very concrete in their answers, only five of these Board members seemed to understand the implications of the Model regarding appropriate tasks for trustees, which one person summed up as being "involved in long range planning and policy making and evaluation." The most articulate representative of this group said: "A working board performs its board responsibilities well. This does not include involvement with day to day activities, but it does include fund-raising, attending meetings, committee work, personal financial support."

The eight other Board members in the "concrete" group spoke about having a much broader role. One of these respondents described a working board in this way: "Members serve on committees and are consulted--opinions are heavily considered by management. Board members should be totally involved by management in the agency." Another saw such a board as "one that has hands on responsibility," and although she did not specify for what areas, the implication

was that she meant for programs, which is not characteristic of the Corporate Model. Some of the individuals in this group mentioned particular Board tasks--fund raising, public relations, committee work, for example--but without placing them within the context of the Model. In other words, policy making, long-range planning and general agency oversight did not factor into their responses.

The remaining four Board members offered definitions that were more theoretical. The first was the only one who appeared to have the Model in mind: "The members [of a working board] contribute advice, participate in areas of expertise." The second indicated she would define this kind of board "in terms of agency effectiveness." The third was even more vague: "[A working board] is one that gets involved. I can't be more specific. Depends on issues and circumstances." And the fourth was equally general: "[It] works together in all aspects."

To the question of whether their definition of a working board applied to their own situation, eight of the seventeen respondents (47%) said the Network has a working board, five (29%) felt the agency does not have a working board and four (24%) were undecided. Most of those giving theoretical definitions as well as the majority of the respondents on the more concrete level who seemed to have a good grasp of

the Corporate Model answered positively to this question. All of the negative and three of the four undecided responses came, as might be expected, from those who were the most equivocal about the Model. But surprisingly, the fourth undecided response was given by the Board member characterized above as the clearest in articulating the duties of trustees under the Model, which seems to imply that he believes the agency still has a way to go in implementing the new structure.

Some of those who are struggling to accept the changes brought by the adoption of the Model have served on the Board for several years and are now unsure about their proper role. While they accept that it is no longer appropriate to have direct ties with the agency's programs, there is a sense of loss, of not knowing what is going on. One person suggested that certain Board members might now "feel superfluous." The tone of her remark and her body language indicated she was including herself in this group; she went on to say that she did not expect to stay on the Board when her term was over. Although the President/CEO is generally a warm and sensitive individual, she does not seem to recognize the depths of these feelings of alienation within the Board ranks. In fact, in her efforts to reinforce the Model, she appears to have contributed at times to this sense that some Board members have of being removed from the

program sphere. For example, on at least two occasions, a Board member asked that visits to program sites be arranged, with no reaction from the CEO. Yet, there is the contradiction that when such visits have been set up, few Board members have taken advantage of the opportunity, although it is unclear whether this was due to apathy or simply a conflict with other responsibilities.

Two very different views of the Corporate Model emerged during the observation period. On the one hand, there is the feeling that the Model was introduced primarily as a way for the executive to establish clear lines of authority. It seems that prior to its adoption, one program in particular, which had originally been a separate agency, was operating too independently, creating friction between the program director and the CEO. The new structure emphasized that the Network was a single agency headed by the executive. Since this principle was set, the President has taken whatever steps she has deemed necessary to ensure it will not be violated, even going so far as to rebuke any Board member who does not follow the proper chain of command or who inadvertently strays into operational matters.

On the other hand, there is a recognition that the agency is too large and complex to have part-time people such as Board members involved in day-to-day details. Operations must be

entrusted to the professionals, who have the knowledge and time to see things through. The Corporate Model does require placing a great deal of trust in the CEO. The occasional worries that something serious might be going on and the Board would not know until very late are part of the price that must be paid for a high-functioning organization. For those who took this more philosophical approach to the Model, there was a belief that a better balance would develop as new Board members are recruited and the "old guard" are phased out. In fact, Fram and Brown (1988) note that to become completely comfortable with the Corporate Model takes at least several years and in some cases, may take until all members have come on the board under this structure. At present, for the Network, those who seem most comfortable with the Model are the newer Board members and/or those who work in a corporate environment.

The matter of the Board's general views on the separation of powers in a not-for-profit agency was explored in the questionnaire. Board members were asked for their opinions on a series of statements having to do with operations and policy; the results appear in Table 3. In light of the earlier discussion about the definition of a working board, item #3 is rather telling. It would appear that when talking in generalities, the Board members are in accord that they should not be involved in day-to-day operations, but there

Table 3
Board Opinions on Separation of Powers: The Network
N = 19

Statement	Rating									
	SA		A		D		SD		NA	
	#	%	#	%	#	%	#	%	#	%
The board and executive should function as a team.	11	58	7	37	0	-	1	5	0	-
The board alone should set policy.*	4	21	5	26	9	47	1	5	0	-
The board should not get involved in agency day-to-day operations.*	13	68	5	26	0	-	1	5	0	-
The board president serves as the executive's "boss".*	2	11	8	42	7	37	2	11	0	-
Hiring, firing and discipline are the executive's responsibilities.	10	53	7	37	1	5	0	-	1	5

*Percentages do not equal 100 due to rounding with small n.

Notes: 1) Codes: SA = strongly agree, A = agree, D = disagree, SD = strongly disagree, NA = no answer

2) Source: Board Questionnaire

is less certainty when applying this principle to their own agency. Items 1, 2 and 4 also point to some possible role confusion. Once again, for item #1, there is virtual agreement that the board and executive should function as a team. Yet, in the matter of setting policy (Item #2), the respondents are evenly split on whether this is solely a board prerogative, and there is a similar division on the question of whether the board president is the executive's "boss" (Item #4).

The lack of unanimity on the latter two items may reflect the still-evolving acceptance of the Corporate Model. As noted earlier, a key aspect of the Model is the allocation of responsibility for policy to the board and for operations, to the executive. But the reality is that most executives play a key role in policy setting, if not overtly, certainly behind the scenes through their control over information, prestige within the organization, relationships with individual board members, and other such professional and personal resources (Kramer, 1985). As Brager, Specht and Torczyner (1987) note, "however much one might endorse a particular division of responsibility or however powerful the endorser, in practice, responsibility is shaped as much by situational factors as by ideal conceptions" (p. 240). Therefore, that a slight majority of the respondents disagreed with the idea of a board's having sole responsibility

for setting policy might mean that, by intuition or experience, they recognize the difference between theory and practice.

In a similar way, the split over the idea of the board president serving as the executive's "boss" may be due to a slight misreading of the Corporate Model. Fram and Brown (1988) do emphasize the importance of the relationship between the chair of the board and the CEO and also indicate that the leadership skills of the chair are essential in bringing the board to the point of adopting the Model and then helping them accept the changes it requires. However, they are also clear that the full board must first ratify the goals for the organization and then monitor the CEO's performance in achieving these ends through a clearly articulated assessment process. A fairer statement is that, under both the Corporate Model and the more traditional structure, the board as a whole oversees the work of the executive.

Finally, a brief word about Item #5 of Table 3, which addresses the question of whether personnel matters are the province of the CEO. The outcome here is consistent with that for the first item, that is, almost total agreement with the statement. An obvious interpretation is that the board is clear about the executive's responsibility for

concrete operational matters. Yet, it should be noted that one respondent chose not to offer an opinion on this item, which could be viewed as a small sign of lingering concern over the sharp separation of policy and operations under the Corporate Model.

Another perspective on the Network Board members' understanding of their governance responsibilities is provided in Table 4. Question #8 of the Board Questionnaire asked the respondents to determine, in each of four key management areas--annual goals, annual operating budget, long-term goals and operational effectiveness--which part of the leadership core has primary, contributing or no responsibility for the planning, approval, implementation and review of the areas. The intent of the question was to explore the degree to which teamwork is practiced, and at what level of consistency, in relation to specific tasks.

As noted in the Board and Administrator Seminar (Center for Management Systems, 1985), "in any team effort, each part of the team has assigned responsibility areas. On the best teams, the players know their own assignments and allow each other to carry out assignments without interference." While there may be disagreement over the most effective division of responsibility, the fundamental issue is for each agency to find the way that works best in its particular setting.

For the Network, the adoption of the Corporate Model has clearly had an impact on the relationship between the Board and the CEO, and the responses to this question provide some tangible evidence.

At first glance, one is struck by an apparent consistency in assigning primary responsibility to the Board for approval and review, except in the area of Operational Effectiveness, and primary responsibility to the executive for planning and implementation, except in the area of Long-Term Goals. Upon closer study, however, it is a much more complex picture. For example, in the Annual Goals area, nine of the 12 respondents (75%) gave the executive a strong contributing role in the approval process, where one might expect no responsibility, and eight out of 15 respondents (53%) felt she shares the primary review responsibility. For the review of the operating budget, 14 of the 15 respondents (94%) believed the executive should also be significantly involved but were evenly divided in assigning her a primary or contributing role.

Regarding long-term goals, although the majority of the respondents (73%) indicated that the Board has primary responsibility for planning, they assigned an equally important role to the CEO, with an even split again between primary and contributing. Finally, in the area of

Table 4

Board Perceptions of Governance Responsibilities: The Network

Area by Function and Locus		Level of Accountability					
	Total # Respons.	#	%	#	%	#	%
<u>Annual Goals: Board</u>							
Plan*	16	P(6)	38	C(10)	63	-(0)	--
Approve	17	P(17)	100	C(0)	--	-(0)	--
Implement	12	P(1)	8	C(5)	42	-(6)	50
Review	17	P(12)	71	C(5)	29	-(0)	--
<u>Annual Goals: Executive</u>							
Plan	17	P(13)	76	C(4)	24	-(0)	--
Approve	12	P(1)	8	C(9)	75	-(2)	17
Implement	17	P(16)	94	C(1)	6	-(0)	--
Review	15	P(8)	53	C(6)	40	-(1)	7
<u>Oper. Budget: Board</u>							
Plan	16	P(2)	13	C(13)	81	-(1)	6
Approve	17	P(16)	94	C(1)	6	-(0)	--
Implement	11	P(1)	9	C(3)	27	-(7)	64
Review	16	P(11)	69	C(5)	31	-(0)	--
<u>Oper. Budget: Executive</u>							
Plan	17	P(15)	88	C(2)	12	-(0)	--
Approve	13	P(2)	15	C(7)	54	-(4)	31
Implement	17	P(16)	94	C(0)	--	-(1)	6
Approve*	15	P(7)	47	C(7)	47	-(1)	7

*Percentages do not equal 100 due to rounding with small n.

- Notes: 1) Codes: P=Primary responsibility, C=Contributing responsibility, --=No responsibility
- 2) Source: (responses) Board Questionnaire;
(format of question) Center for Management Systems, 1985
- 3) Since some respondents chose not to answer part or all of this question, figures do not equal the total number of questionnaires returned (19), varying from a high of 17 to a low of 11.

Table 4, continued

Board Perceptions of Governance Responsibilities: The Network

Area by Function and Locus	Total # Respons.	Level of Accountability					
		#	%	#	%	#	%
<u>Long-Term Goals: Board</u>							
Plan	15	P(11)	73	C(4)	27	-(0)	--
Approve*	16	P(14)	88	C(2)	13	-(0)	--
Implement*	12	P(2)	17	C(8)	67	-(2)	17
Review	16	P(11)	69	C(5)	31	-(0)	--
<u>Long-Term Goals: Executive</u>							
Plan	16	P(8)	50	C(8)	50	-(0)	--
Approve	12	P(1)	8	C(9)	75	-(2)	17
Implement*	16	P(14)	88	C(2)	13	-(0)	--
Review	14	P(5)	36	C(8)	57	-(1)	7
<u>Oper. Effect.: Board</u>							
Plan	13	P(0)	--	C(9)	69	-(4)	31
Approve	15	P(6)	40	C(6)	40	-(3)	20
Implement	11	P(0)	--	C(3)	27	-(8)	73
Review*	16	P(10)	63	C(6)	38	-(0)	--
<u>Oper. Effect.: Executive</u>							
Plan	16	P(16)	100	C(0)	--	-(0)	--
Approve*	14	P(10)	71	C(3)	21	-(1)	7
Implement	16	P(16)	100	C(0)	--	-(0)	--
Review	13	P(8)	62	C(5)	38	-(0)	--

*Percentages do not equal 100 due to rounding with small n.

- Notes: 1) Codes: P=Primary responsibility, C=Contributing responsibility, --No responsibility
- 2) Source: (responses) Board Questionnaire
(format of question) Center for Management Systems, 1985
- 3) Since some respondents chose not to answer part or all of this question, figures do not equal the total number of questionnaires returned (19), varying from a high of 17 to a low of 11.

Operational Effectiveness, 71% of the respondents considered the CEO to have primary responsibility for approval while they were evenly divided in assigning primary and contributing roles to the Board for that function, where it might be expected the Board alone would act, and both were also deemed to share primary responsibility for review. Upon inquiring about these results, one Board member explained that under the Corporate Model, the CEO is a board member, and therefore there needed to be an additional indicator for "equal responsibility." In the absence of such an indicator, the only way to depict their governance style was to assign primary or contributing responsibility to both parts of the team.

Values, Beliefs and Assumptions

According to Wood (1989), as agencies mature, "the values espoused by the board evolve from dedication to the 'cause' represented by the organization's mission to a 'professional' interest in the agency's outward success" (p. 2). One turning point occurs when some event causes a reassessment of the governance approach, leading to a restructuring and the recruitment of a new kind of board member.

For the Network, as noted above, it was a potential fiscal crisis that caused the Board to review its way of doing business and ultimately adopt the Corporate Model. While

the agency is still working through the steps to institutionalize the new structure, it evidences a number of the characteristics of an organization in midlife: the increase of new Board members with a background in finance, public relations and other "business" skills; the insistence on using predetermined goals and objectives to measure the CEO's and the agency's performance; the sharp separation between volunteers who play a direct role in the programs and those who focus on management; the strengthening of committees and clarification of the decision-making process.

Based on interviews with seven primary decision makers, the shift in values toward a more results-oriented approach has been realized, for the most part. Most of these central players rated the current Board performance as somewhat effective; only one person judged the Board to be somewhat ineffective, and another individual described it as very effective. However, across the spectrum of ratings, the underlying reasons for those opinions were fairly constant. Participation and commitment to the agency through contributions of both time and money were cited by all the respondents, with some more tolerant than others about individual levels of involvement. Speaking for the majority, one interviewee put it very succinctly: "Not all Board members participate at the same level, [but] this is a good Board."

As might be expected, the person who rated the Board's performance as somewhat ineffective sounded the most pessimistic note. She felt the most important responsibilities of any board are "policy making; making sure policy can be implemented, i.e., sufficient resources; choosing the CEO and being available for assistance." When asked the basis for her rating of the Network Board, she said: "I am concerned about the lack of participation in fund raising and no recognition of financial obligations [of a board member]. It is difficult to get people to do things." Furthermore, she saw an absence of commitment on the part of many Board members and believed this might be due to the adoption of the Corporate Model: "There used to be program-related committees, but we no longer have close ties to programs. Now people are not clear about what role to play." Her biggest worry was that individuals of quality would not be attracted to this board because its current members are not very strong.

In contrast, one of the Board members who judged her colleagues as somewhat effective indicated she was impressed by the new candidates for the Board, who she anticipates will be agents for change. She described three primary responsibilities of a board: oversight of the agency, delegation of responsibility to committees and ratification of others' work. This individual was considerably more upbeat about

the effects of the Corporate Model: "We are getting stronger in implementing it [the Model], although we don't follow it in all ways. For example, the Board is still doing small fund-raising activities when that really is a staff function. But we are moving in that direction."

Another in the *somewhat effective* group believed the Board is doing a better job of identifying expectations. She also saw the Board in an evolutionary state, with more people in the future recruited for their ability to contribute financially to the agency, "although this may mean they will be less available to do the kinds of things the Board does now." Moreover, she was realistic about the differences in individual levels of commitment: "Individual performance varies due to the capacity to contribute, [one's] own vision and time constraints." Similarly, the executive accepted that conflicts with other commitments affect a Board member's ability to participate. For her, the most important responsibilities of a board are to serve as an advocate for the agency, represent community interests and needs, take part in long-range planning and bring expertise. Although the CEO also rated her Board as somewhat effective, she noted that "some members join for the wrong reasons. They are not necessarily committed to the mission so there is a long learning curve." As for the impact of the Corporate Model, she felt it has been a positive force in in-

creasing cohesiveness.

Focusing now on the other half of the leadership team, the CEO, we can see from Table 5 that the Board places the same emphasis on the concrete and tangible in assessing a top professional as it demands of itself. When asked to identify the three most important characteristics of a good executive, 16 of the 19 respondents (84%) included general management skills on their list. The next most frequently mentioned qualities were: knowledge of community (n=9; 47%), prior experience (n=8; 42%) and communication skills (n=9, 42%). Only a few respondents listed more abstract qualities such as intelligence, judgment and energy. In keeping with the Corporate Model, the respondents gave a low priority to the CEO's having knowledge of client problems (n=3, 16%), but it was somewhat surprising to see the same ranking for personal/professional contacts, which can often be used to positive advantage.

Over the course of the year, through observations, archival material, responses to the Board Questionnaire and interviews with selected Board members, the issue of trust in the executive emerged as a critical variable. This is not meant to imply a **lack** of trust in her performance. In fact, of

Table 5
Board Perceptions of Characteristics
of a Good Executive: The Network

Characteristic	Frequency	% of Total Responses
General management skills	16	84
Knowledge of community	9	47
Prior experience	8	42
Communication skills	8	42
Personal/professional contacts	3	16
Knowledge of client problems	3	16
Educational background	2	11
Energy and initiative	1	5
Intelligence	1	5
Judgment	1	5
Sales/marketing skills	1	5
Goal-oriented	1	5
Good interpersonal skills	1	5

Source: Board Questionnaire (total number returned = 19)

the nineteen respondents to the questionnaire, 84% indicated they had a high level of confidence in the CEO's performance at this time, and the other 16%, a medium level of confidence. Rather, the particular nature of the Corporate Model places the CEO in the spotlight as the chief spokesperson for the organization and removes some of the checks and balances on his/her authority that are typical of the more traditional structure (Eisenberg, March 10, 1992). As a result, the Network Board members seem to be very conscious of the potential dangers in centralizing operational control in this way, and thus the importance of trust in the CEO was articulated as a central value of the agency.

As has been pointed out in Section 1, maintaining a sound board-executive relationship is a major stabilizing factor in not-for-profit organizations. It is useful therefore to examine the elements that are considered essential to such a relationship, from the standpoint of the board. At the Network, there is evidence of some ambivalence about the best way to gauge the CEO's performance and the agency's level of achievement. The executive does present an annual plan, with goals, objectives and strategies, in the fall and then provides an assessment of what has been accomplished in the spring. However, the document does not include timelines, numerical indicators of change or other similar quantifiable measures. As a result, while the accounting at

the end of the year is informative, it is essentially a subjective process, except for the review of the budget, which of course does include hard data. So, even though this Board considers itself quite pragmatic, it also reveals a softer side.

One can study the board-executive association on several different levels. After a content analysis of statements made by the respondents to the Board Questionnaire when asked to identify the most important aspects in maintaining a sound board-executive relationship, it was possible to identify five specific dimensions of this relationship at the Network--interpersonal, administrative, technical, structural and procedural. Operating definitions for these terms are as follows (Webster's new collegiate dictionary, 1976):

- 1) Interpersonal--being, relating to, or involving relations between persons
- 2) Administrative--of or relating to performance of organizational duties
- 3) Technical--having special and usually practical knowledge
- 4) Structural--of, relating to, or affecting a definite pattern of organization
- 5) Procedural--of or relating to a particular way of accomplishing something or acting

Taking into account that most individuals provided multiple responses, sixteen out of nineteen (84%) gave answers that

fell in the *Interpersonal* category. This included such items as "attention to individuals by the executive," "respect for each other's abilities," "openness," and "communication." Nine, or 47%, chose procedural points, as represented by statements like "being kept informed," "flexibility," and "understanding of roles." An almost equal number--eight (42%)--responded with factors of a structural nature, for example, "climate of open communication," "defined and shared goals," and "frequent meetings/relevant agenda." Responses such as "membership of each board member on at least one active committee" and "a strong Board Chair and a stronger group of Board directors" were considered administrative (3 of 19, or 16%) and "financial and marketing savvy on the part of the CEO" and "quality and experience of board members" were called technical replies (2 of 19, or 11%). It is important to note that although the question about the board-executive relationship was couched in a general way, that is, toward **any** board-executive relationship, in many instances, the respondents made specific reference to their own experiences. For this researcher, who studied the leadership core over the better part of a year, there were recognizable signs of the interactions between individuals on the Board and the executive and the feelings that were engendered. One Board member, for example, was consistent in his strong support of the separation of powers in the Corporate Model. Therefore, his statement about "each

performing their own job without interference from the other," which could be placed in both the *Structural* and *Procedural* categories, was very much in character. And knowing that another Board member felt her contributions to the agency had not always been suitably appreciated by the CEO gave a different perspective to her statement that the "Board must be constantly encouraged and thanked" (Interpersonal category).

To someone less familiar with the agency, this personalizing of responses is most evident in the similarity between certain answers to the question about the board-executive relationship and the reasons given by these same individuals when asked on the questionnaire for their rating of the CEO's performance and the rationale for their evaluation. For example, one Board member, under the *Procedural* heading, indicated that one element in maintaining a sound relationship is the "ability to get consent/agreement without causing dissent." He then expressed a high level of confidence in the CEO's performance, based on his perception of the executive's skill in "negotiating with agencies" and on his opinion that she "knows how to use the Board." Another believes that the "development of trust of all individuals involved" is critical in the Interpersonal area, and that in the *Procedural* category, a "willingness to work and understand the details of the jobs and the people doing them" is

also key. Her high rating of the executive's performance stems from "[the CEO's] grasp of general conditions and infinite details, her warmth and her efficiency and her decency and respect for every person."

A third respondent identified "communication and mutual respect" as significant factors under the Interpersonal heading and then cited the executive's strengths in handling "difficult judgment situations" and her "communication skills" as two reasons for the high rating accorded her. On the other hand, another individual who also values "open communication, including with the staff" (Interpersonal category), faulted the CEO for "some situations [that] have been poorly dealt with, including the treatment of staff," which partially accounts for the medium rating of performance from this Board member. And still another respondent listed "trust and communication" in the Interpersonal category and "confidence in [the CEO's] ability and judgment" in the Administrative area. In according the executive a high rating, she drew on her "evaluation of their close working relationship" and her assessment of the executive's personal and professional qualifications.

The one constant thread throughout this consideration of the board-executive interaction was the importance of communication. Thirteen of the 19 respondents (68%) either mentioned

it specifically or implied it as a key factor in maintaining a sound relationship. Trust and mutual respect were also cited several times. Yet, in private conversations with certain Board members and from observations of Board and committee meetings, this researcher sensed there was a gap at times between the ideal and the actual practice. For example, although the Board Chair and the CEO maintained a public posture of cordiality toward each other, there were obvious signs of tension between them. Some Board members spoke almost wistfully about their former close involvement with programs; it was not clear whether these individuals still derived as much satisfaction from their participation in the agency. At the end, it was possible to see three distinct groups on the Board: the "old-timers" who missed the association with direct services, the old-timers who were adjusting to the changes under the Corporate Model and the "newcomers," who seemed quite content with the present governance structure.

Dynamics of Decision Making

One of the primary functions of the leadership core is decision making, a process that requires "the simultaneous development of contingency responses and uncertainty reduction" (Wernet & Austin, 1991, p. 3). As we have discussed in Chapter Two, this process for nonprofit organizations is often fraught with uncertainty, ambiguity and conflict

because of the many personal, interpersonal and environmental factors that come into play in situations where there are multiple stakeholders (Nutt, 1989). To increase our understanding of the Network's governance style, we will now turn our attention to four critical decisions that occupied much of the leadership core's attention over the course of the observation period.

Background

The Network Board meets monthly from September to June, with the authority to cancel the December meeting if so desired. An annual meeting is held, generally in May. At that time, the primary activity is the election of directors and officers; special recognition is given to outgoing Board members and to other individuals, both staff and volunteers, who have made significant contributions to the organization during the year. From September 1991 to June 1992, this researcher attended eight of the ten scheduled Board meetings, including the annual meeting.

As is often the case in such settings, a significant amount of the Board's work is carried out in committees, both standing and ad hoc. According to the agency By-laws, "standing committees shall meet at least quarterly, and special committees shall meet with such frequency as is necessary to accomplish their purpose." During the obser-

vation period, I attended one of the three scheduled Executive Committee meetings. I also attended meetings of the Planning and Evaluation Committee, which is responsible for reviewing current programs and services and for recommending new directions to the Board, from February through May in order to follow the deliberations on one of the primary decision areas, a possible merger with another social agency. At the September Board meeting, the Chair reported on the results of a Board Activities Questionnaire that had been sent out over the summer. As reflected in the minutes, the findings show a preference for meetings starting at 7:30 p.m. "of limited duration and...focused on the important issues" and an interest in the continuation of staff presentations and occasional supper meetings. "Board members' goals include improving the Agency's financial status, balancing the budget, providing for greater operating efficiency, and increasing public awareness."

Midway through the year, at the February Board meeting, a portion of the agenda was devoted to a discussion on the efficacy of the Board meetings. The impact of the Corporate Model was a central concern. Once again, it came down to the issue of Board members feeling distanced from programs and by extension, from the agency itself. This was countered by those who believe the Model makes the best use of Board members' time and talents. A very active Board member

and former Chair brought that aspect of the discussion to a close by remarking that it was too early to reach any conclusions about a decline in Board involvement due to the adoption of the Model. Other points were more pragmatic, having to do with the starting time, the length of the meetings, the prioritizing of items on the agenda and the content of premailings.

At the final meeting of the Planning and Evaluation Committee, which featured the CEO's assessment of operational goal accomplishment, it was noted that strengthening of the Board is a goal for the Board, although it was not clear exactly what "strengthening" meant in this context. During the observation period, the Board attendance at meetings ranged from 17 to 20 out of 28 (61% to 71%), and participation in committee work was quite strong. This is not a bad record when considering that many of the Board members work some distance from the agency and that the meetings start at 7:30 p.m. and often run well over two hours. On the other hand, attempts to generate more closeness within the Board, such as providing supper before a meeting or holding a retreat, have met with mixed success. Bantering among the Board members was limited, and interchanges of a personal nature sometimes appeared strained, especially when the Chair was involved. While my one-on-one conversations with Board members could be quite warm and open, generally there was a

businesslike atmosphere at meetings that seemed to reflect the relationship between the Chair and the CEO: respectful but certainly not cordial. Even at the orientation for new Board members that I attended, the duties and expectations of a trustee were conveyed, for the most part, in a prescriptive, non-anecdotal manner.

Decision Points

As noted in Chapter Two, the process of reaching a decision incorporates several distinct steps, beginning with the identification of the problem and moving through data gathering, the weighing of alternatives, the selection of a particular course of action and its implementation. However, "if one takes a systems view..., it becomes obvious that decision making is far more than simply making a choice from among alternatives....A decision process also involves a political and exchange process" (Driver & Rowe, 1979, p. 145). In recognizing that the decision process will vary from organization to organization and from situation to situation, it is equally important to recognize that each decision maker evolves a preferred decision style (Nutt, 1989).

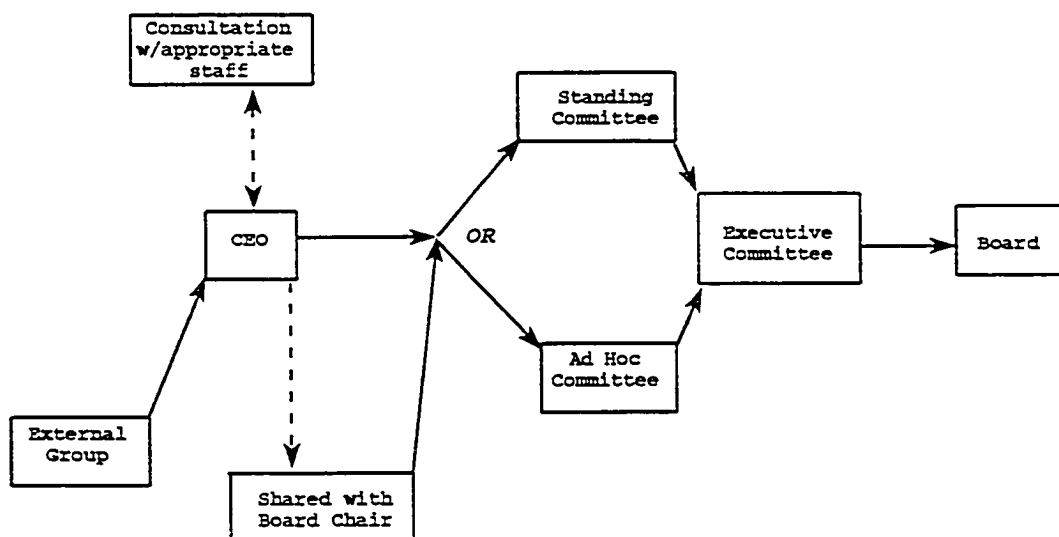
We will now look at the manner in which the Network's leadership core reaches decisions, taking into account the organizational rules and procedures and the values and

assumptions discussed in the earlier sections of this chapter. Figure 1 presents a generic overview of the different stages in the decision process. In this setting, the CEO tends to be the initiator, the one who either brings an issue to the surface or serves as the first line of review on any major issue. During the first stage of the process, *Inception*, the CEO reacts to the stimulus of an external group or she may identify an issue after consultation with senior-level staff. The staff also serve as a sounding board when the issue comes from the outside. Once the CEO has a clear perception of the issue, she will bring it to the attention of the Board Chair, and together they will determine whether the matter falls within the purview of one of the standing committees. If not, an ad hoc committee is appointed by the Chair.

In the second stage, *Deliberation*, the committee is provided with information about the issue gathered by the CEO and/or designated staff. The CEO participates in the discussion on the issue; in fact, she generally shapes the flow of the discussion through her work with the committee chair. Until the committee deems the issue ready for resolution, an interim report will be given by the committee chair at each monthly Board meeting. The issue is then sent back to committee for further deliberation. Once the committee has

Figure 1
Generic Decision Path: The Network

Stages of Decision Process		
Inception	Deliberation*	Resolution
Main Activities:	Main Activities:	Main Activities:
Issue presentation/ identification Initial consideration	Fact gathering Discussion Formulation of recommendation(s)	Discussion Clarification Formulation of Conclusion(s)



*Interim informational reports are presented to the Board. The issue is then referred back to committee for further deliberation until the committee feels it is ready for resolution.

concluded its review, it will formulate one or more recommendations. The Executive Committee will then be convened to consider the matter. This is more of a **pro forma** review, in light of the work previously done in committee, but having the Executive Committee endorse the recommendation(s) does seem to carry some weight. Finally, in the third stage, *Resolution*, the issue will be put before the full Board for discussion. The Board may seek clarification on certain points by directing questions to the committee chair and to the CEO. As the last step, the Board will reach one or more conclusions on the issue, which may involve setting forth the action(s) to be taken or in some cases, determining that no action should occur, at least for the present. In most instances, the Board will accept the committee's recommendations.

In the period from September 1991 through June 1992, the Network leadership core dealt with four major issues: the status of the operating budget, a potential merger with another social agency, the relocation of the agency's main offices and a new approach to fund raising and marketing. While the merger question developed during the year, the other three issues were ongoing Board concerns (Table 6). The agency's operating deficits had been discussed in the early part of 1991, and an interim strategy of cutting staff to a four-day week had been adopted that spring. The relo-

cation issue was already under consideration in 1990; at the September Board meeting, the Ad Hoc Real Estate Committee noted that the "lease renewal option" would be coming up in January 1992 and requested direction regarding the purchase of property for the agency. A consulting firm was engaged at that time to do a feasibility study for a possible capital campaign. At this same meeting, the chair of the Development Committee identified the reasons for a capital campaign: "1) to provide a fund for working capital, to avoid the need for borrowing, 2) to provide growth for the...Endowment Fund, and 3) to improve the...physical plant, especially get [the Network] its own space, to avoid the necessity of paying rent." A year later, the first consulting group had been dropped in favor of a new firm, and a part-time fund raiser had been hired to manage an annual special event and also consult on other activities. As indicated in the introduction to this section, events must be examined within the context of the internal and external environment. Therefore, the second row of Table 6 looks at this dimension in relation to each major decision area. The term *Contextual Press*, which has been adapted from Miles and Huberman (1984, p. 124), conveys the idea that the environment exerts a kind of pressure on the decision process. The third row considers the specific action during the observation period that determined how the

Table 6

**Critical Issues Addressed by Leadership Core,
September 1991-June 1992: The Network**

	Issues			
	Finances	Potential Merger	Relocation of Offices	Fund Raising/ Mktg. Strategy
Antecedent Events	1/91-Bd. concern re deficits 2/91-De- cision to cut staff to 4 days	----	9/90-Bd.mtg. -Rpt. by Ad Hoc Real Es- tate Com. re options-1/92 lease renew.	9/90-Bd.mtg.- Dev. Com. rpt. re need for capital cam- paign (c.c.)/ Hire consult. but fire 9/91
Contextual Press	Cuts in support -contd. deficit prob. but concern re staff	Request by cnty. Off. of Mental Hlth. re poss. merger w/mental hlth.clinic	Space at headquarters inadequate for all staff & programs	Desire to have fin. cushion, inc. endowmt., improve phys. plant/9/91-new consult. firm hired for c.c.
Initiating Act	9/91-Bd. mtg.-Fin. Committee proposes revised budget	1/92-Bd.mtg. -CEO rpt. on merger talks raises neg. reaction re process-ref. to Bd. com.	1/92-Lease renewed to 6/93-activ. looking for new space	12/91-Consult. rpt. advises no c.c. until improve image & estab. full- time dev. off.
Problem Review	Fin. Com. monitors w/input from CEO & staff (ongoing)	Plng.& Eval. Com. meets monthly-- com. memb., CEO & VP meet w/rep. of clinic- Bd. reports	Ad Hoc Com. cont. work & reports to Bd. monthly	Ad Hoc Study Com. formed- to meet 1/92- 3/92
Resolution of Problem	4/92-Fin. picture rosier- Bd. votes staff pay raise	4/92-Board adopts new guidelines re mergers- 6/92-prog. in talks but will cont.	6/92-Com. & adv. propose site--Bd. approves-- CEO to neg. deal	4/92-Bd. takes recom. to hire full-time fund raisg. & mktg. staff, increase budget for '93

leadership core would approach each issue. The final two rows refer to the Deliberation and Resolution stages of the decision path (see Figure 1). Each column of Table 6 provides a chronological view of the process.

In the first situation, funding cuts by both United Way and government caused the Board to take a cautious posture on the 1991-92 budget even though it was aware that staff morale was low due to the earlier decision to cut back to a four-day week. As a result, although the budget called for a 5% salary raise on October 1st, the Finance Committee decided at its September meeting to recommend a budget revision: a 3% salary increase in October and the remaining 2% to be offered later in the year if finances improved. When this proposal was put before the full Board at its September meeting, the CEO argued strongly for holding to the original 5% increase so that the agency could be competitive in recruiting and retaining employees. She admitted that she had not been as well prepared on the matter at the Finance Committee meeting as she should have been but now had the data to support her position. While she acknowledged the management issue of a balanced budget, she felt it was important to serve as the staff's advocate. In the end, the Board approved only a 3% raise in October, with the other 2% to be given in April 1992 depending on the agency's financial health at that time. That feelings ran high on

this issue is evident in the voting, with 9 for and 7 against the motion. The budget was monitored closely by the Finance Committee throughout the year, and monthly reports were presented to the Board. This issue was resolved in a positive way in April when the Board voted to give staff the 2% balance, retroactive to October 1st, because the financial picture was so much brighter.

As discussed earlier, since its inception, the Network has been very cautious about expansion. According to a history of the agency written by its first executive director in November 1986, certain precepts have been followed:

- 1) That geographic or service expansion would take place in response to study and outside request.
- 2) That funding for a reasonable period of time be secured or assured in advance.
- 3) That new services in early development could be "umbrella'd", if appropriate, by the agency with later determination of merger or spinoff.
- 4) That requests for merger consideration would be studied carefully, and each such instance determined upon its individual merits.

In keeping with these precepts, when a possible merger with a mental health clinic was proposed by the county Office of Mental Health, the CEO and the Vice President for Programs

began to meet with representatives of the other agency to discuss interest in and feasibility of a merger. Toward the end of the agenda at the January Board meeting, the CEO presented an informational report on the status of these talks. To the executive's surprise, several Board members took exception to the manner in which the topic had been introduced. It was noted that this was the first time the Board had been apprised of the exploratory meetings with the other agency, and that it was too important an issue to be raised so casually and so late in the evening. Somewhat on the defensive, the CEO explained how the talks had come about and indicated that she had not given more weight to the matter because there was little hard information to share at this time. After some discussion on mergers in general, the question was referred to the Planning and Evaluation Committee, with a charge to report back to the Board on the concept of merger and on specific opportunities such as this situation.

In view of the strong feelings that had been engendered by this communications mishap, I decided to attend the meetings of the Planning and Evaluation Committee from that point on. This was a very strong committee, under the leadership of the Chair-elect of the Board. The committee decided to maintain the informal discussions with the other agency, with Board participation whenever appropriate. The CEO was

asked to continue meeting with her counterpart to review such items as salaries and personnel practices. In addition, one committee member was assigned the task of drafting guidelines for mergers. In place of the four original precepts on mergers, the new three-page document includes a policy statement on growth, guidelines and objectives to implement the policy, broad considerations about the prospective partner's management and programs, methods and approaches for pursuing a merger and a list of twenty-three items that should be taken into account before reaching any final decision. The document was reviewed and endorsed by the Board at the April meeting.

The committee met monthly, with this merger question as a regular agenda item; the committee chair also provided an update each month at the Board meeting. As of the final Board meeting for the year, in June, there was no resolution, but there was a decision to continue holding discussions with the other agency. There did not appear to be any long-term consequences for the CEO over this issue despite the strong feelings expressed at the April meeting, perhaps because it was recognized that she had acted in accordance with the internal, historical precedent regarding expansion. With regard to expansion in general, however, there is a real possibility that the specificity of the new guidelines adopted by the Board will make the process even more cumber-

some than in the past, so that the Network will not be any better equipped to take advantage of growth opportunities.

The third major decision point addressed during the year dealt with the relocation of the organization's main offices. There did not seem to be any question that the space at headquarters was inadequate; the issue was how best to resolve the problem. By the fall of 1990, an Ad Hoc Real Estate Committee of the Board had already been formed to consider options. The committee's report at the September 1990 Board meeting noted that the lease was due for renewal in January 1992. The implication was that the matter needed to be resolved by that date, and the option that was favored was the purchase of property, through a capital campaign.

After engaging and then firing one consulting firm, a second group was selected in September 1991 to do a feasibility study. At a special Board meeting in December, the consultants reviewed their findings, which advised the agency not to undertake a capital campaign at this time. (See below for a full discussion of the feasibility study results.) With the capital campaign now on hold, the agency renewed the lease at its present site in January, through June 1993. The Ad Hoc committee continued to work on the issue, guided by a Board member who is an architect. RFPs were sent out, and eventually three sites were selected for further con-

sideration, after comparing leases and drawing up plans. Monthly reports on the committee's progress were delivered at Board meetings.

By the June Board meeting, the committee had reached a conclusion on a site, having previously presented its recommendations to the Executive and Finance Committees and receiving their endorsement. An outside expert was brought in to participate in the presentation to the Board, which included several very detailed charts comparing costs at the proposed new location and the current site. However, as the discussion unfolded, it became obvious that once again there were some problems in communications. A member of the Finance Committee revealed that the information given to them had lacked clarity about costs and benefits of the move, but the committee felt some pressure to support the decision that had already been reached by the Ad Hoc Real Estate Committee and staff. After a lengthy debate covering visibility, operating efficiency, program expansion and other related matters, the Board Chair stated that it came down to trust in the CEO to negotiate the best deal for the agency. A motion was made and approved to authorize a move to the new location. While someone termed the outcome "a win-win situation," my observation of several of the Board members showed a different reaction. Had the Board been provided materials, preferably in advance, that compared the

pros and cons of the proposed move in both financial and programmatic terms, the discussion would have been much briefer and more harmonious.

As a result of the feasibility study conducted to determine readiness for a capital campaign, the Network leadership core had to face yet another financially related issue, namely, the best way to meet the agency's development and marketing needs. The results of the study pointed up the lack of a well-organized fund development program that would build community support for a major capital drive as well as for other activities. In the absence of broad public awareness of the agency's programs and services, the conclusion was "at this time, gifts in amounts necessary to reach the tested goal are not available." The consultants also noted that not all the Board members were enthusiastically committed to a capital campaign, a prime requisite for success. The Network was advised to form a special Study Group to review past, present and future fund-raising and public relations activities and develop a written plan in these areas, including goals and financial considerations.

At the January Board meeting, a lengthy discussion was held on the feasibility study and its recommendations. In principle, there was agreement that the marketing of the agency's work had to be strengthened. The Chair appointed

an Ad Hoc Study Committee to review the recommendations over the next two months and come back with a proposal. The committee's final report, which was distributed at the April Board meeting, called for the creation of a Development, Marketing, and Public Relations Department, with full-time staff. In contrast to the real estate issue discussed above, the Study Committee's report was detailed as to implementation and finances and led inevitably to the recommended actions. The Board did indeed accept the report, "with appreciation," with the plan to go into effect for the new fiscal year beginning in July 1992 as a joint responsibility of the Development Committee, the Finance Committee and the CEO.

Concluding Remarks

The decision process described in this section reflects the agency's traditional, "corporate" values. As noted earlier, the adoption of the Corporate Model requires adjustments in procedure, but even more important, in the attitudes of the leadership core. During the observation period of this study, it became evident that the current Network Board is divided in its reactions to the new structure, with some clearly in favor, some clearly opposed and the rest undecided. Over time, as new Board members are recruited, the Model will become more accepted. For now, this lack of accord on the basic governance structure places an enormous

burden on the CEO, who is the focal point of the Corporate Model, but in most instances, she has proven herself equal to the task. Nonetheless, the executive must heed the signals from her Board for better communication to maintain their trust and avoid problems in the future.

CHAPTER FIVE: GREENVILLE NEIGHBORHOOD CENTER

The Internal Context

The Greenville Neighborhood Center (the "Center") is a private, not-for-profit agency located in the city of Greenville, a blue-collar community with a population of approximately 53,000 that is a suburb of a much larger educational/industrial/cultural center.

The mission of the agency is "to offer programs intended to help individuals and families cope with living in current society. Continuing and emerging human needs which are not fully met by existing social service institutions deserve...consideration....Whenever it is possible to secure the resources to confront the needs, programs shall be designed to address them" (from 1990-91 Annual Report). At present, the Center's services include Head Start, school-age day care, several children's programs, an outreach program to high-risk youth, vocational and residential programs for mentally retarded adults, and a teen parenting program.

The Center's Mission Statement and its organizational evolution suggest that the agency belongs in the settlement house tradition. At a meeting of the Chicago Federation of Settlements and Neighborhood Centers on April 3, 1945, Miss

Lucy Carner reminded her audience of the characteristics of a settlement:

[It] is rooted in a geographical community. Its purpose is to understand that community, to help develop its potentialities, to provide or to aid it in securing needed services....It bases its work on the value of an interchange of experience between communities, and of the need for bringing together resources from inside and outside any given community. (Carner, 1950, p. 273)

The founder of the organization was a professional social group worker who in 1939, shortly after moving to Greenville, brought together a group of local people to survey the community's social service needs. Of particular concern was the lack of programs for children and youth. Several meetings involving different elements of the community were held to discuss the situation, with the result that incorporation papers were signed in 1941 and the present site purchased following the completion of a townwide capital campaign. Originally called the Group Work Council of Greenville, the agency adopted its present name in 1948 to signify its "broad interest in the well-being of the entire community."

In keeping with its origins, the Center serves only the residents of its immediate community. However, the agency does make use of outside resources, such as securing work sites in nearby cities for the vocational program for adults with mental retardation. A number of the programs are sited away from the primary facility, in local schools or at a

low-income housing complex, for example. For many years, the agency has operated an off-premises summer day camp, and it maintains a group home for its mentally retarded adult clients. The main physical plant has grown significantly over the years. Two new wings and two new buildings have been added to provide more program space; the most recent addition of 7,500 square feet, completed in 1991, also has meeting rooms and office space.

To meet an operating budget of just under \$2 million, the Center has relied heavily on state and Federal grants and purchase of service contracts, which make up 69% of the total revenue for Fiscal Year 1991. Program service fees account for another 13%, and United Way support, for 9%. Room and board fees and program-generated income represent most of the remaining revenue. In recent months, the agency has received word of cuts in government support and in the United Way allocation, which will have to be absorbed through other means. The new building was financed through a combination of public and private contributions and loans. Outside of the monies in the plant fund, there are only modest reserves.

The Leadership Core

The Center's 28-member Board is evenly divided between males and females (see Table 7). Twenty-five (89%) are white, and

the other three members (11%) are African-American. In terms of age, the largest representation is from those over 60, who account for 43% of the Board, largely due to the lack of a rotational policy, which will be discussed in great detail later on in this chapter. At the other end of the spectrum, there is only one Board member under the age of 30, and only two are in the 31-40 age group (11% together). The remaining 46% is almost evenly split between the 41-50 and 51-60 age groups.

To serve on this Board, one must either live or work in Greenville. While there is no representation from any of the client groups, 25% of the members are municipal employees (fire department, police department, library, board of education, city government). Another 25% are retired. The remainder are small business owners, managers in for-profit settings, and educators outside of the immediate community. Only one individual describes herself as a homemaker. Virtually all of the respondents to the questionnaire indicated they were on the Board because "We perform a useful service." In the aggregate, slightly more than half of the responses were service-oriented (for example, "effective way to help"); the rest reflected personal needs and interests ("It offers me a creative outlet," "I can meet interesting people," etc.).

Table 7
Board Profile -- The Center
N = 28

Gender		Ethnicity		Age		Occupation	
#	%	#	%	#	%	#	%*
M = 14	50	Caucas. = 25	89	21-30 = 1	4	Admin. Asst. = 1	4
F = 14	50	Afr.Am. = 3	11	31-40 = 2	7	Comm. Liaison = 1	4
				41-50 = 6	21	Educator = 5	18
				51-60 = 7	25	Fireman = 1	4
				60+ = 12	43	Homemaker = 1	4
						Mgr.(business) = 6	21
						Mgr.(mun.) = 3	11
						Retired = 7	25
						Self-employed = 3	11

*Does not equal 100% due to rounding with small n.

Note: The profile describes the Center Board as of October 1991.

The current Board President is a white male in the 51-60 age group who works in an administrative capacity at a corporation in a nearby community. He had served as First Vice President just prior to this, and Second Vice President before that. Having been on the Board for approximately nine years, he will have a lifetime appointment by virtue of being President. Since he was recruited by friends from his church who were already on the Center Board, it is not surprising that he would express genuine fondness for his colleagues during the course of my interview with him. He is also very conscientious about his duties: "I made a decision to sit on all committees so I could keep abreast of what's going on."

The CEO, a white male in his late 40's, has held his current position for about twenty years. He was groomed for the top spot by his predecessor while serving as the agency's Program Director for two years prior to that. Originally from a major metropolitan area, the executive charmed the Board at his initial interview, according to one knowledgeable person, when he said he wanted to come to Greenville because of a desire to live and work in the country. He holds a master's degree in social work.

Organizational Rules, Norms and Practices

In one way or another, all of the Board members who were interviewed spoke of the Center as a settlement house. Giving service to and meeting the needs of the community were mentioned frequently. One individual stated this explicitly: "I see [it] as a settlement house, in the traditional sense. The agency started as the dream of one person, who found some other like souls for the Board. Originally, they were 'club women' (ladies from the garden club, etc.). Now we have become more professional, but still true to the community." Yet, a second Board member seemed concerned that the agency might be moving away from its historical role in dealing with local problems. She indicated she was sad to see the evolution from recreational and group work programs to what she termed "social services," that is,

programs for the retarded. She cited homelessness as an area in which she would like to see the agency take action.

In addition to providing the vision, the Center's founder left another legacy that has been more problematic--longevity in Board service. She herself remained on the Board from 1941 until her death in 1990; more than half of the current Board members have served for over ten consecutive years, and several for as much as forty years.

The topic of term rotation has been hotly debated in the past, but it became one of the key decision points during the period of my observation of the agency due to the executive's insistence that the issue finally be resolved. In the last part of this chapter, we will look at the CEO's strategy in bringing the matter to a head, but it is appropriate at this time to examine the differing views of the Board on the subject because they are the clearest statements on the essence of the organization.

First, a clarification. According to the agency's by-laws, there is a policy of term limitation: "In order to assure the inclusion of new ideas on the Board of Directors, a minimum of a 20% turnover of the Elected Directors over a three (3) year period shall occur. When this percentage is not met through attrition, then any Elected Director who has

served three (3) consecutive terms [of three years each] shall be ineligible for reelection." The problem is that the policy has not been enforced. The irony is that people act as though there were no policy. The conflict is that they support and dispute the idea of rotation on both practical and philosophical grounds.

One Board member who is in favor of rotation believes it is a way to get new blood and ideas: "People get stale." A second straddles the issue: "There are not a lot of people pushing to get on the Board, so we need those who want to stay on, but it does have an effect." From the opposition comes this feisty but succinct remark: "We are a blood and guts organization. Board members are willing to take risks because of longevity." And in a similar vein, an eloquent spokesperson for not limiting terms, said: "The longevity of membership on this board has affected decision making, sometimes as a brake, sometimes because we trust both the 'watchers for detail' and the 'eyes on the horizon' types, it has given us the opportunity to take risks."

Regardless of their viewpoints on the term rotation question, the respondents to the Board Questionnaire were united on a strong work ethic for board service in general. When asked to define a *working board*, 19 of the 20 who returned the questionnaire had no difficulty in providing an answer,

although there was some variation in the degree of specificity. Five of the nineteen (26%) responded in a rather broad, theoretical manner: for example, "Complete cooperation and completing assignments, total commitment toward goals and philosophy of agency" and "One that works cooperatively with the executive gaining and gathering information to aid the executive and the agency as a whole to meet the community's needs."

The remaining answers were much more concrete. For instance, ten of the 19 (53%) mentioned committee involvement, and in fact, for several of this group, that constituted the entire definition. Others offered more elaborate explanations, as typified by the individual who said: "A board that takes an active part in board meetings and committee meetings. Also takes an active part in fund raising and support of programs." Similarly, another replied: "A non passive group with subcommittees with a strong policy position and actively participate in implementation of policy--finance, future goals, etc." And again: "Regular attendance at meetings, participation at meetings and at functions, service on sub-committees--positively visible in the community." In many regards, these are textbook answers, as presented in much of the literature on board roles and responsibilities (see Conrad & Glenn (1983); Houle (1989), O'Connell (1985), et al).

When asked to apply the definitions to their own Board, 18 out of 19 (95%) agreed that the Center does have a working board. The lone dissenter had a somewhat unique or specialized understanding of the subject. For him, a working board is one whose "members spend time at [the agency] helping with small repairs--painting--cleaning the yard," which "helps save money." This is a very literal interpretation of a working board, and needless to say, the Center did not measure up.

In attempting to characterize the agency, two metaphors were suggested in my formal and informal conversations with Board members. One of the newest members referred to the Board as a club, where one gained respect and credibility by paying one's dues through committee work. He was attempting to reach a level at which he might make an impact on the full Board by allying himself with a longtime and well-respected member, almost in a mentoring relationship. This perception was reinforced by the Board President, who acknowledged that "new people have to earn respect by service on committees." The other representation of this Board was as an extended family. The Board member who used this descriptive term went on to say: "We let our feelings out; we don't hold back."

As might have been deduced, the dissenting voice on the matter of the Center's having a working board belonged to the chair of the agency's Building and Grounds (B & G) Committee. At the January Board meeting, this individual provided one of the defining moments of the observation period. During a rather routine discussion on the merits of purchasing a new copier, the B & G chair suddenly exploded in anger over not having been consulted in advance on the copier. The suggestion from some of his colleagues that office equipment might not fall within his committee's purview served only to increase his sense of outrage. The Board President and the CEO tried to soothe the situation by apologizing to the gentleman and agreeing to look into why the topic had not come before his committee for consideration. For me, the amazing thing about this episode was the man's utter lack of inhibition about venting his feelings in front of a relative stranger. Equally amazing was the calm reaction of the other Board members to the outburst. The rest of the meeting proceeded as though nothing had happened, and at its end, two of the female members approached the B & G chair, scolded him affectionately and then embraced him. The three left the building together, laughing. Longevity seems not only to have made it possible for Board members to take risks but also to have created a climate of tolerance for a wide range of behaviors.

In general, the Center Board's style was informal and personal. Before, during and after Board and committee meetings, there would be interchanges about family life, church activities and local gossip--the consequence perhaps of all the members' living and/or working in the immediate area and therefore having multiple contacts with each other. One female was notable for blowing kisses at other members at the start of Board meetings. Yet, this by no means meant they were not serious about the governance of the agency. For example, one of the newer Board members offered these comments on organizational efficiency: "Keep the bureaucracy small; do most work in committees; make most decisions at the executive committee level; use the whole Board for information dissemination not debating issues."

The Board's views on the separation of powers in a not-for-profit agency were explored in the questionnaire. Board members were asked for their opinions on a series of statements having to do with operations and policy; the results appear in Table 8. Given the long tenure of the CEO, teamwork between the Board and the executive was an established practice, as evidenced by the agreement of all 19 respondents with item #1. There was also virtual unanimity on the executive's responsibility for personnel matters, which would seem to indicate that the Board believes top

Table 8
Board Opinions on Separation of Powers: The Center
N = 19

Statement	Rating							
	SA		A		D		SD	
	#	%	#	%	#	%	#	%
The board and executive should function as a team.	15	79	4	21	0	--	0	--
The board alone should set policy.*	2	11	6	32	8	42	3	16
The board should not get involved in agency day-to-day operations.	4	21	12	63	3	16	0	--
The board president serves as the executive's "boss."*	4	21	9	47	5	26	1	5
Hiring, firing and discipline are the executive's responsibilities.	8	42	10	53	1	5	0	--

*Percentages do not equal 100 due to rounding with small n.

Notes: 1) Codes: SA = strongly agree, A = agree, D = disagree, SD = strongly disagree.

2) Source: Board Questionnaire

management should control operations (item #5). Yet, on the point that the Board should not get involved in day-to-day concerns, item #3, three respondents (16%) disagreed.

(Somewhat surprisingly, the B & G chair agreed with this statement.) In considering the three dissenters, however, I would suspect they misinterpreted the intent of the item and may have wanted to show their interest in what goes on in the agency.

For item #2, on the setting of policy, eleven respondents (58%) were opposed to the idea that the board alone carries this responsibility. In the traditional social agency structure, in fact the executive does tend to play a key role in this process. Bernheim and Brodsky (1961) note that a major function of the executive is "to guide the board in dealing with broad problems of administration and policy-making....presenting issues for discussion and decision in such a way that the professional principles are clear and the lines of authority marked" (p. 383). Often, executives go far beyond this educative function to outright control of the decision-making process (Unterman & Davis, 1982). At the Center, because of his long tenure and the nature of his personality, the CEO was frequently the dominant figure in policy making.

There was also a split on the statement that the president serves as the executive's "boss" (item #4), with approximately two-thirds of the respondents in agreement and the other third opposed. Again, this division of opinion can be viewed as theory versus reality and is probably attributable to the CEO's length of service with the agency, which Kramer (1985) cites as an important factor in determining executive influence. Having spent nearly all of his professional career at the Center, the executive enjoys a great deal of autonomy and latitude. His situation is concrete proof of the validity of Hollander's (1978) idiosyncrasy credit theory:

Credits are gained by signs of *contribution to the group's primary task* and *loyalty to the group's norms*. As summary terms, these two factors are referred to as "competence" and "conformity." With sufficient demonstrations of competence and conformity, the individual gains enough credits to earn the status of a leader. Given a fund of credits, an individual's assertions of influence become more acceptable. (p. 41)

Another perspective on the Center Board members' understanding of their governance responsibilities is provided in Table 9. Question #8 of the Board Questionnaire asked the respondents to determine, in each of four key management areas--annual goals, annual operating budget, long-term goals and operational effectiveness--which part of the leadership core has primary, contributing or no responsibility for the planning, approval, implementation and review of the areas. The intent of the question was to explore the

degree to which teamwork is practiced, and at what level of consistency, in relation to specific tasks.

As noted in the Board and Administrator Seminar (Center for Management Systems, 1985), from which the exercise was derived, "in any team effort, each part of the team has assigned responsibility areas. On the best teams, the players know their own assignments and allow each other to carry out assignments without interference." Within this general framework, each agency must seek the most effective division of labor, the one that works best in its particular setting. For the Center, this translates to assigning primary responsibility to the Board for approval and review in all categories and for the planning of long-term goals. The Board is seen to have a contributing responsibility for implementation in all areas and for planning in the areas of Annual Goals, Annual Budget and Operational Effectiveness.

Conversely, the respondents believed the executive carries primary responsibility for planning in all cases except long-term goals and for implementation across the board. He was assigned contributing responsibility for approval and review in all four areas and for planning in the area of Long-Term Goals. Although the originators of the exercise suggested that the Board should play no role in implementation pertaining to the annual goals and the operating budget

Table 9

Board Perceptions of Governance Responsibilities: The Center

Area by Function and Locus	Total # Respons.	Level of Accountability					
		#	%	#	%	#	%
<u>Annual Goals: Board</u>							
Plan	18	P(7)	39	C(11)	61	-(0)	--
Approve	19	P(18)	95	C(1)	5	-(0)	--
Implement*	14	P(2)	14	C(10)	71	-(2)	14
Review	18	P(11)	61	C(7)	39	-(0)	--
<u>Annual Goals: Executive</u>							
Plan	16	P(11)	69	C(5)	31	-(0)	--
Approve*	15	P(1)	7	C(10)	67	-(4)	27
Implement	17	P(15)	88	C(2)	12	-(0)	--
Review	15	P(6)	40	C(9)	60	-(0)	--
<u>Oper. Budget: Board</u>							
Plan	15	P(5)	33	C(10)	67	-(0)	--
Approve	19	P(19)	100	C(0)	--	-(0)	--
Implement*	14	P(3)	21	C(9)	64	-(2)	14
Review	19	P(16)	84	C(3)	16	-(0)	--
<u>Oper. Budget: Executive</u>							
Plan	17	P(12)	71	C(5)	29	-(0)	--
Approve*	14	P(1)	7	C(10)	71	-(3)	21
Implement	17	P(15)	88	C(2)	12	-(0)	--
Review	14	P(3)	21	C(11)	79	-(0)	--

*Percentages do not equal 100 due to rounding with small n.

- Notes: 1) Codes: P=Primary responsibility, C=Contributing responsibility, --=No responsibility
- 2) Source: (responses) Board Questionnaire
(format of question) Center for Management Systems, 1985
- 3) Since some respondents chose not to answer part or all of this question, figures do not equal the total number of questionnaires returned (20), varying from a high of 19 to a low of 14.

Table 9, continued

Board Perceptions of Governance Responsibilities: The Center

Area by Function and Locus	Total # Respons.	Level of Accountability					
		#	%	#	%	#	%
<u>Long-Term Goals: Board</u>							
Plan	17	P(12)	71	C(5)	29	-(0)	--
Approve	19	P(18)	95	C(1)	5	-(0)	--
Implement	16	P(5)	31	C(9)	56	-(2)	13
Review	19	P(15)	79	C(4)	21	-(0)	--
<u>Long-Term Goals: Executive</u>							
Plan	16	P(3)	19	C(13)	81	-(0)	--
Approve	15	P(1)	7	C(12)	80	-(2)	13
Implement	17	P(13)	76	C(4)	24	-(0)	--
Review	14	P(2)	14	C(12)	86	-(0)	--
<u>Oper. Effect.: Board</u>							
Plan	16	P(4)	25	C(11)	69	-(1)	6
Approve	18	P(13)	72	C(4)	22	-(1)	6
Implement*	16	P(2)	13	C(11)	69	-(3)	19
Review	19	P(14)	74	C(5)	26	-(0)	--
<u>Oper. Effect.: Executive</u>							
Plan	17	P(14)	82	C(3)	18	-(0)	--
Approve	15	P(5)	33	C(9)	60	-(1)	7
Implement	17	P(16)	94	C(1)	6	-(0)	--
Review	15	P(4)	27	C(11)	73	-(0)	--

*Percentages do not equal 100 due to rounding with small n.

- Notes: 1) Codes: P=Primary responsibility, C=Contributing responsibility, --=No responsibility
- 2) Source: (responses) Board Questionnaire
(format of question) Center for Management Systems, 1985
- 3) Since some respondents chose not to answer part or all of this question, figures do not equal the total number of questionnaires returned (20), varying from a high of 19 to a low of 14.

and that the CEO should not have any responsibility for approval of the annual goals, as noted above, the responses at this site present a more collaborative picture, with the Board and CEO playing contributing roles in these areas.

There were only small signs of indecision in the responses to this question. Around the review function in the Annual Goals area, 11 of the 18 respondents (61%) felt the Board had primary responsibility and the remaining 7 (39%) believed they played a contributing role. On the other hand, in the same area, 6 of 15 respondents (40%) gave the primary responsibility for review to the executive; 9 (60%) assigned him the contributing role. In the approval of the annual goals, 4 of the 15 respondents (27%) felt the CEO should play no role, 1 (7%) gave him the primary responsibility and 10 (67%) thought his role was contributing. The Board was similarly split over the executive's responsibility for approval of the operating budget. As for the Board's role in the implementation of operational effectiveness, 3 of the 16 respondents (17%) saw no responsibility while 2 (13%) assigned the primary responsibility. However, outside of these few points, the Board showed quite remarkable consistency in their answers.

Values, Beliefs and Assumptions

Having just celebrated its fiftieth year of service to the Greenville community, the Center seems poised at the brink of change, with the undertaking of a strategic planning process to assess current programs and determine the need for new activities and with the consideration of adopting an enforceable Board rotation policy. In discussing organizational life cycles, Wood (1989) identifies three operating styles that boards manifest over time: participatory, in which the board is actively engaged in fact gathering and decision making independent of the paid professional; corporate, in which the board works together with the executive to formulate issues and reach conclusions; and ratifying, in which the board essentially "rubber-stamps" the CEO's decisions. Once an organization is past the formative years, the board tends to go from the participatory mode to the corporate style and finally to the ratifying posture. However, the board can revert to the participatory style at any point in the face of a crisis.

Based on the data collected during the observation period, I would place the Center just past the midpoint of the life cycle described by Wood (1989), which suggests that an organization evolves from an early, mission-driven stage to a mature phase of development where the emphasis is on outward success. Gradually, the Center Board is moving from

a combination of the corporate and ratifying operating styles to more of a participatory role, with mission once again a major focus. Although there has not been a single precipitating crisis to bring about this movement, recurring fiscal problems and the strong desire for change on the part of the executive have been key factors.

Through interviews with several primary decision makers, it was possible to gain a clearer picture of these leaders' perceptions about the strengths and weaknesses of the Board. Four of the five trustees with whom I spoke rated the current Board performance as very effective. One interviewee felt the most important responsibilities of any board are to "set policy, identify needs, [deal with] finances, and organize programs." She clearly had the controversy over adopting a Board rotation policy in mind when she rated the Center Board's performance as very effective, and her own emotional involvement with the agency was most evident. While she did not see the Board as a family, she did acknowledge the closeness and high level of trust among its members: "I am not in favor of Board terms being limited. Why change what has worked? This is a strength. We are not a corporate board; we're provincial. We're close to programs, and that's good. We have some 'brains' but not corporate types."

In a like manner, a second person in the *very effective* group, for whom committee involvement is the most important responsibility for a board member, said: "We are basically a blue-collar Board. If we had a bank president, for example, it might help us with fund raising, but the individual wouldn't work, so what good is it to have someone like that on the Board?" His warm feelings for his colleagues and admiration for their dedication to the agency were evident both in the words and in the manner in which he expressed himself.

Yet a third Board member sounded the theme of service in her remarks. For her, a board member must "suggest and review policy, but most important is assistance in raising funds and monitoring what goes on." She based her judgment of the Center Board as very effective on the fact that it "works hard and has an effect on what happens--continuity and a high level of trust." Here too there was a subtle reference to the matter of term limitation: "There is a finite number of people to do service, especially in an organized way. The idea of a social agency is a hard sell in a blue-collar community." The fourth Board member who had a high opinion of the Center Board's performance also cited commitment through committee work and accepting responsibility for setting policy ("the final authority") as essential components of board service. His rating was based on his per-

sonal experiences as a former President, when he felt he got complete cooperation from the other members. However, as a mild criticism, he noted that the Board "had voted to meet bimonthly, but it did not work out. We need to meet more often to be effective."

It is important to mention that all of the interviewees who judged the Board to be very effective were individuals with a long history of involvement with the agency. In contrast, one of the newer members of the Board rated its performance as somewhat ineffective to very ineffective. In his mind, the most significant responsibilities of a board are to "define the mission clearly and hold the operational people accountable." On these scores, he felt his Board was wanting. He did not see a clear sense of mission ("We have wandered.") and believed the agency "has chased dollars and not evaluated programs." Despite some reservations about his ability to make a difference, he indicated that he has a long-term commitment to the organization "unless no progress [has been] made after a few years."

The CEO's response to the same issue was more complex. He itemized the most important responsibilities of a board: "to monitor the agency on all levels, good financial [sense], serve as a community liaison, that is, hook up to resources, fund raising." On his own Board's performance, he felt the

members were highly effective in the community liaison role and in giving advice but ineffective in monitoring and fund raising. Echoing the Board member just discussed, the executive expressed concern over the "lack of strategic planning, so the growth of the agency has been haphazard. We have been opportunistic, not mission-directed," and this has caused "tension, anger and inconsistency at the staff level, but the Board does not think in these terms."

Turning now to the other half of the leadership team, the CEO, we can see from Table 10 that the Board places a premium on concrete, technical abilities and professional qualifications in assessing top management. When asked to identify the three most important characteristics of a good executive, 18 of the 20 respondents (90%) included general management skills on their list. The next most frequently mentioned qualities were: communication skills (n=11, 55%), educational background (n=8, 40%) and prior experience (n=6, 30%). However, given this Board's emphasis on serving its local area, it was a bit of a surprise that only 25% of the respondents listed knowledge of community as an important characteristic, and I also would have expected higher than a 25% response for fundraising track record in view of the number of times different Board members cited this as one of their current executive's greatest strengths.

Table 10
Board Perceptions of Characteristics
of a Good Executive: The Center

Characteristic	Frequency	% of Total Responses
General management skills	18	90
Communication skills	11	55
Educational background	8	40
Prior experience	6	30
Fundraising track record	5	25
Knowledge of community	5	25
Knowledge of client problems	3	15
Foresight	1	5
Dedication	1	5

Source: Board Questionnaire (total number returned = 20)

Over the course of the year, through observations, archival material, responses to the Board Questionnaire and interviews with selected Board members, the executive emerged as the central figure at the Center. His name surfaced at some point in every conversation, and few were neutral in their opinions of him. Overall, of the twenty respondents to the questionnaire, 75% indicated they had a high level of confidence in the CEO's performance at this time, and the remaining 25% gave him a medium rating. The length of his tenure as executive has certainly influenced people's viewpoints, with some seeing this as a stabilizing element and others expressing concern that the CEO took too many liberties

based on his position. For example, one of those who ranked his performance highly said: "There are no undercurrents [about the executive]. It wouldn't be tolerated. We have respect for him as a professional. After all, he's been here a long time." From among those who were somewhat less complimentary about the CEO came these comments: "I feel the executive director is strong in securing large gifts but not good regarding programs. The sense is that he can get people to do what he wants. I fault the Board for not giving the executive clearer direction; he responds well when given a clear task to do."

In fact, the executive has received only two performance evaluations in his twenty years as CEO, and both of these have come recently. The comment above that the executive "can get people to do what he wants" seemed to be at the heart of the matter. Some regarded this "talent" with admiration. Said one Board member: "I have great respect for the executive's abilities, knowledge and professional skills. He has a sense of the Board regarding what will fly and what won't. I may not always agree with the executive, but I want to know what's on his mind." However, this individual did acknowledge that on occasion the CEO's timing is off when attempting to introduce a particular issue. Another agreed with this positive assessment ("He has become more skilled over the years in getting the Board to do

things."), but then went a step further in referring to the executive's "manipulations." This was offered with a twinkle, it should be noted. But others used the same term more pejoratively. A Board member who had given the CEO a medium rating of performance said in justification for her assessment: "I feel that when [he] wants something he will manipulate people to his advantage."

One can study the board-executive association on several different levels. After a content analysis of statements made by the respondents to the Board Questionnaire when asked to identify the most important aspects in maintaining a sound board-executive relationship, it was possible to delineate five specific dimensions of this interaction at the Center--interpersonal, administrative, technical, structural and procedural. Operating definitions for these terms are as follows (Webster's new collegiate dictionary, 1976):

- 1) Interpersonal--being, relating to, or involving relations between persons
- 2) Administrative--of or relating to performance of organizational duties
- 3) Technical--having special and usually practical knowledge
- 4) Structural--of, relating to, or affecting a definite pattern of organization
- 5) Procedural--of or relating to a particular way of accomplishing something or acting

Taking into account that most individuals offered multiple answers, thirteen out of the nineteen who responded to this item (68%) made statements that fell into the *Interpersonal* category. This included such remarks as "communication, honesty, mutual respect," "each having complete confidence in the other; complete openness between both," and "cooperation." Nine, or 47%, chose procedural points, for example, "knowledge of all that is happening so neither can receive any 'surprises'," "ability to put aside differences and work together for the good of the agency," "keep new blood coming on board and get rid of dead wood," and "eliminate crisis situations by early disclosure." The next highest category was *Structural*, with six respondents (32%), which included statements like: "clear goals and objectives; clear evaluation of progress," "regular, frequent board meetings," and "a sense of perspective." Only a few responses (4 of 19, or 21%) were considered administrative; one example was "trust executive's judgment but base that on performance--make him accountable." There was but a single answer (5%) in the *Technical* category: "vision."

While there was a slight correlation between certain answers to the item about maintaining a sound board-executive relationship and the reasons given by the same individuals when asked on the questionnaire for their rating of the CEO's performance and the rationale for their evaluation, it was

less obvious than it had been at the Network. One individual who did personalize his responses identified "working as a team to get things done" as a key factor in a good board-executive relationship; this was classified under both the Structural and *Procedural* categories. He then gave the Center executive a medium rating for performance based on his belief that the CEO delegated too much to his second in command, especially the things he did not like doing. On the other hand, a Board member who spoke in general terms about the importance of communication and confidence in each other rated the executive highly, praising "his leadership during the past few difficult years, his ability to get grants and funding from the community for [the] building expansions, his awareness to the needs of the community." Here, the connection between the responses to the two items seemed inferential at best.

The one constant theme throughout this consideration of the board-executive interaction and the CEO's performance was the importance of communication, both internal and external. Fourteen of the nineteen respondents (74%) cited it as a critical factor in maintaining a sound board-executive relationship. As Trecker (1971) notes, this is often a point of contention in nonprofit organizations:

"In far too many agencies,...there is inadequate communication, slow communication, or even breakdown of communication between the administrator and the board. Under these circumstances the board is not fully in-

formed as to what is going on and, as a result, it is out of touch with current policies, programs, and procedures. Consequently, it may work at cross-purposes and with a considerable waste of energy. (p. 120)

It was in this area that the Center executive drew the most criticism. Colorful metaphors have been employed to describe the CEO's position in the communication structure-- "at the nerve center of the organization" (Brager, Specht & Torczyner, 1987, p. 249), "an hourglass, with the executive controlling the waist" (Senor, 1963), and simply "communications processor" (Herman & Heimovics, 1991). One of the hardest things is to strike the right balance between too much and too little information; if you err on the side of sending the board reams of paper, you risk the possibility that nothing will be read, but if you fail to provide enough documentation, you open yourself up to being considered manipulative and also may alienate board members just when you most need their support. I was struck by how often the Center executive presented the Board with important conceptual ideas, for instance, his proposed new staff structure, on a single sheet of paper with the sketchiest of details, even at the committee level. While this was obviously bothersome to certain Board members, such as the individual who based his medium rating of the CEO's performance on the fact that "most problems are brought to the Board without any time for study," it is a failing that has been generally

ignored due to the prevailing view that the executive has provided outstanding leadership to the agency.

Dynamics of Decision Making

Morgan (1986) provides clarity on an aspect of decision making that is sometimes overlooked. The *premises* of a decision deal with how a certain issue will be approached, for example, by its inclusion and place on an agenda. But beyond the obvious attempts to manipulate the decision premises, "there is also often a large unconscious or socialized element of control....Much unobtrusive control is built into vocabularies, structures of communication, attitudes, beliefs, rules, and procedures that, though unquestioned, exert a decisive influence on...outcomes" (p. 166). As we now turn our attention to four critical decisions addressed by the Center's leadership core during the observation period, the CEO's dominant role in this area as well as in all the other elements of the decision process will increase our understanding of the organization's governance style.

Background

According to the by-laws, the Center Board is expected to meet ten times a year; in practice this means from September to June. The annual meeting is held in September. As is

the case in many nonprofits, this is largely a ceremonial occasion, when longstanding Board service is recognized and broad goals and objectives articulated. As was noted above, there had been an attempt to reduce the number of meetings by adopting a bimonthly schedule, but that was largely abandoned because Board members found it necessary to come together more frequently. From September 1991 to June 1992, I attended six of the seven "business" Board meetings for the year.

The Center carries out much of its Board work through committees. Active standing committees include Finance, Personnel, Building and Grounds, Program and Nominating. The Ways and Means committee (sometimes referred to as Special Events) was supposed to be active but did not meet on a regular basis. Although the by-laws do not specify frequency of meetings, most met monthly, with the exception of Nominating. The Executive Committee meets only when convened by the President. In addition to the standing committees, there is provision for the establishment of special committees. For the record, the by-laws do mention two other standing committees, Association Membership and Public Relations and By-Law Review, that no longer seem to function in this capacity. (A By-laws Committee was appointed during the course of the year on an ad hoc basis.) Also, the B & G chair seems to have had a legitimate complaint about being

bypassed on the purchase of the new copier since, according to the by-laws, that committee is supposed to advise on capital expenditures for equipment.

Prior to the formal observation time, I had asked the executive to identify the committee that would afford me the best sense of the Board's decision-making approach. He recommended that I attend meetings of the Personnel Committee, which he considered one of the strongest committees, with oversight for key operational areas. I sat in on five meetings of this committee during the year. In addition, I attended one Finance Committee meeting and one Executive Committee meeting, in both cases because I knew there would be consideration of one of the critical issues I was tracking.

The CEO plays an important role in the selection of new Board members, officers and committee heads. New Board members receive an orientation to the agency provided by the executive and the chair of the Nominating Committee. However, one longtime Board member termed it "inadequate," saying that "it used to be more formal, [but people now are] left to grow into the role." There is no ongoing training for the Board, although there are occasional speakers at meetings and some members do attend outside workshops. But this did not seem to be a high priority for the Board; in

fact, there was a concern that too much training might cause burnout. One person stated emphatically that she feels she has learned what she needs to know, presumably "on the job."

During the observation period, attendance at Board meetings ranged from 16 to 20 out of the potential 28 members (57% to 71%). In general, meetings were under two hours in length. Participation in committees was strong, and individuals appeared to be conversant with the matters on the agenda even though they did not usually receive informational packets in advance. A Board member also ran the agency's weekly bingo games, which were a good source of revenue (approximately \$50,000 per year). And the chair of the Building and Grounds committee often did small repairs on the physical plant. As mentioned earlier, the atmosphere at Board and committee meetings was very cordial. If members arrived early for a meeting, they would chat informally, often about personal matters. The same was true at the end of meetings, as people left in twos and threes. Frequently, there were friendly exchanges between Board members even during meetings. From all indications, there was a close relationship between the Board President and the CEO.

Decision Points

Generally speaking, researchers have agreed that

the route towards a decision goes through three phases, a "start-up" or "identification" phase when the topic

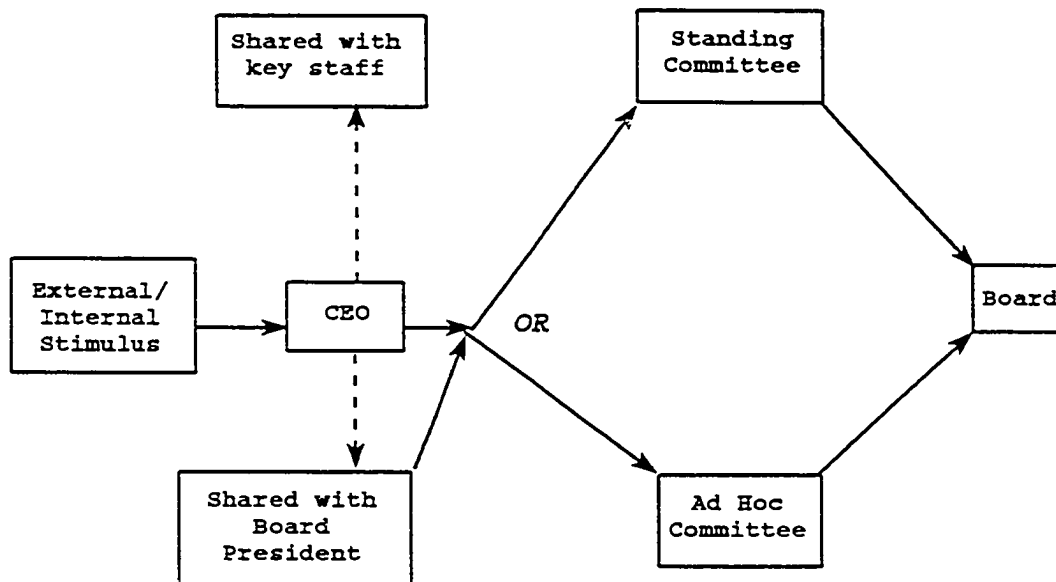
for decision is first recognized..., a "developmental" phase when the search is on for relevant information and the development of alternatives, and a "finalization" or "selection" phase when the choice is narrowed down and made. (Hickson et al, 1986, p. 97)

However, there is also general agreement that the process is not always carried out in an orderly fashion, and in fact fluctuation among stages is quite common, as the result of the nature of the issue itself--its complexity and the degree of uncertainty attached to it--and the personalities and interests of the different stakeholders involved in the process (Janis & Mann, 1977).

As we now turn to a consideration of the critical decisions faced by the Center's leadership core during the time of this study, it is important to keep in mind the organizational rules and procedures and the values and assumptions discussed in the earlier parts of this chapter. Figure 2 gives a generic picture of the different stages in the decision process in this setting. Based on what has been presented above, the central role of the CEO is no surprise. In the initial phase of the decision process, *Inception*, the CEO responds to either an external or internal stimulus to identify an issue. In the first case, it may be an action taken by a funder or accrediting body; on the other hand, the stimulus may be the result of a felt need to address some aspect of operations or governance. Once the issue has been identified, the CEO assesses the situation. At this

Figure 2
Generic Decision Path: The Center

Stages of Decision Process		
Inception	Deliberation*	Resolution
Main Activities:	Main Activities:	Main Activities:
Issue identification	Issue presentation	Presentation of recommendation
Assessment	w/suggested outcome	Discussion
Formulation of strategy	Discussion	Formulation of conclusion(s)
	Consensus building	



*Interim informational reports are presented to the Board. CEO ensures that concerns fully resolved at the committee level before bringing an issue to the full Board for approval.

point, he may discuss the matter with a key staff member, such as the Associate Executive Director, and will alert the Board President as well. He may go outside the agency to gather pertinent facts and talk to other professionals, especially when the issue is generated by external forces. The final activity will be to formulate a desired outcome and then develop the strategy to achieve this result.

The second stage, *Deliberation*, somewhat overlaps the first as the CEO goes about building consensus for his strategy. Since the executive knows that the support of the Board President is vital and is aware that the President dislikes crisis management, he ensures that his volunteer counterpart knows his opinion and recommendation(s) on the matter early in the process. Together, they determine whether the issue should be given to one of the standing committees or requires the appointment of an ad hoc committee. Once the issue has been assigned, the CEO works closely with the committee chair on the agenda and prepares whatever documentation he deems necessary, although frequently the matter is presented verbally the first time it surfaces. Even though the suggested outcome is generally part of the first consideration of an issue, the same item may appear on the agenda for discussion at successive committee meetings until the executive believes he has backing for his position.

During this time, the Board may receive reports on the issue, which may even spell out the recommendation. As a result, when the matter finally comes to the Board for resolution (the third stage), there are really no surprises. The CEO has been careful to note individual reactions to his proposition and will take steps to overcome opposition before ever letting the issue be brought to the Board level for a final vote. For the most part, discussion is minimal when the subject does come up, and in general, the CEO wins approval for his plan.

In the period from November 1991, when the first regular Board meeting of the year was held, through June 1992, the Center leadership core dealt with four critical issues: finances, staff reorganization, the introduction of a strategic planning process and the change in Board structure involving rotation, which has been mentioned at earlier points in this chapter. Only the proposal on redeploying staff was new this year; the other three questions had been under scrutiny for some time (Table 11). Hickson et al (1986) refer to the period prior to the onset of the actual decision process, when there may be numerous conversations and speculations on the subject, as the *gestation time*.

The first row of Table 11 focuses on the gestation time through an examination of the antecedent events, where

Table 11

**Critical Issues Addressed by Leadership Core,
November 1991-June 1992: The Center**

	Issues			
	Finances	Staff Reorganiz.	Strategic Planning	Change in Bd. Structure
Antecedent Events	Fall '89 -Bd.mtg.- Concerns re costs of new bldg. & cuts in govt. \$\$/ 2/90-ED analyzes fin. hlth.	----	2/90-Bd.mtg. -lack of plan noted by ED & Bd. Pres./10/90 -Bd.mtg.-Bd. Pres. offers to work w/ED to develop approach.	Longstanding debate over term limits.
Contextual Press	9/91-Bd. advised of UW cut & impact on Center	ED feels need for stronger profes. ldrship.	9/91-Bd.mtg. -ED feels rt. time to dev. plan/ accred. gp. recommends.	ED's concern for fut./9/91 -report by accred. gp. recommends rotation.
Initiating Act	2/92-Bd. mtg.-Cont. deficit pushes Bd. to act.	11/91-Pers. Com.mtg.- ED presents plan for reorganiz.	11/91-Bd. mtg.-ED notes plan/ 12/91-ED sugg. proc.	ED works in- formally to gain support for policy change.
Problem Review	Fin.Com. cont. to monitor/ Pers.Com. looks at benefits.	ED cont.to push issue w/ Pers. Com-Board rpts. by ED & Com.	4/92-Stra- tegic Plan. Com. formed. -dev. ques- tionnaires.	5/92-Pres. announces form. of By-Laws Com. to review Bd. rotation.
Resolution of Problem	4/92-Bd. agrees to co-paymt. on hlth./ 6/92-Ed sets '93 \$\$ goals.	4/92 & 5/92 -Divisional structure presented to Board.	4/92-Bd.mtg. -new Mission Statement approved./ 6/92-'93 set for completion.	6/92-Exec. Com. reviews ED's presenta- tion.

applicable, for each of the issues. As indicated in the introduction to this section, events must be examined within the context of the internal and external environment. Therefore, the second row looks at this dimension. The *Contextual Press*, which has been adapted from Miles and Huberman (1984, p. 124) conveys the idea that the environment exerts a kind of pressure on the decision process. The third row considers the specific action during the observation period that determined how the leadership core would approach each decision area. The final two rows refer to the Deliberation and Resolution phases of the decision path (see Figure 2). Each column in the table provides a chronological view of the process.

When I first approached the Center as a study site, I became aware of the financial concerns that had been generated by the building of a large addition to the facility and thought this would be the financial issue of continuing interest because some support seemed in doubt. However, when the executive was able to secure the remaining monies, other financial matters became more pressing. The new building had caused staff resentment since only top management obtained modern office space in it, and so plans were formulated to renovate the second floor. While the Board understood and accepted the need for the renovation, it also meant adding to the debt load at the same time that the

agency was experiencing cutbacks in United Way and government funding.

The Finance Committee was asked to closely monitor the situation after the Board voted not to proceed with the renovation unless Community Development funds were promised in writing. At the same time, the Personnel Committee began to review possible cost-cutting measures around employee benefits and compensation. With the executive's urging, the committee agreed that a co-payment plan for health insurance and a limit on pay raises for the following year would be proposed to the Board. Both ideas were presented and approved at the April Board meeting. At the May meeting, the CEO announced that CDA monies had been secured and requested authorization to sign the contract. Details of the second floor renovation were then shared. Finally, in June, the executive spoke of his fiscal goals for 1993, to develop new sources of revenue and/or expand old ones.

The manner in which the second issue, staff reorganization, was handled effectively illustrates the CEO's leadership style. For quite a while, the executive had been concerned about the amount of time he had to spend overseeing programs. Although there is an Associate Executive Director at the agency, when she was hired, the CEO was aware that her interest was in management, and so her role has been to

share the administrative responsibilities with him. Not wanting to force the AED into an area that is not her strength and recognizing that the Center's present fiscal circumstances probably precluded hiring a second top administrator for program, the executive developed a strategy to fit the situation.

At the November meeting of the Personnel Committee, he proposed a redeployment of staff into three divisions--Head Start, Children and Youth and Developmental Disabilities--each to be headed by a director, a new senior-level position. While Head Start already had been functioning as a separate unit, the formation of the other two divisions would require combining programs that now were independent. Since the director would be asked to handle a wide range of duties, including grant writing and program development along with more typical responsibilities such as staff training and supervision, there would be a need for a second person as backup. The CEO felt he could promote the current head of one of the youth programs to serve as director of the Children and Youth Division but would then have to bring in an M.S.W. to manage one or more of the components. For the third division, he did not feel anyone on staff was capable of being the director and therefore would have to look outside to fill the position. To make room for the new staffer, he would create another position that would essen-

tially downgrade the individual now running the primary programs in this area.

All of this information was presented verbally. The initial reaction from the committee was concern about acting too hastily; during the discussion, it was suggested that perhaps the next step should be to bring in a consultant to help think through the possible impact on staff overall and other similar considerations. At the January meeting of the Personnel Committee, the executive again brought up the divisional structure concept. This time, the committee's concern was the lack of financial resources to hire a director for the Developmental Disabilities Division, and the matter was tabled to March. Nothing further was said about hiring a consultant. When the Board met later in the month, the CEO reported he had recommended to the Personnel Committee that the staff structure be revamped.

By the March Personnel Committee meeting, the focus of the discussion was on the implementation of the divisional plan, which seemed to indicate that either through conversations with individuals on the committee behind the scenes or through sheer persistence, any opposition to the idea had been removed. In April, at the committee meeting, the CEO distributed a single-page handout describing the new structure. At the April Board meeting, the Personnel Committee

chair included the divisional structure in her report, and at the next Board meeting, she distributed the sheet of paper on the structure while indicating that there were now sufficient funds to hire a director for the Developmental Disabilities Division due to the elimination of the position in charge of the vocational component, which had led to the resignation of that staff person.

With regard to strategic planning, there had been Board-level discussions on the need for such a plan during at least two meetings in 1990. Therefore, when the executive announced at the 1991 Annual Meeting that it was time to devote their energies to long-term planning now that the new building had been completed, it was accepted with no resistance. Added emphasis was provided through the report of an accrediting group in which the lack of a long-range plan was noted. The main consideration seemed to be how to go about the process, and again the CEO took the lead role. At the November Board meeting, he recommended that a special committee be formed that would include staff and volunteers as well as Board members and that a consultant be hired to facilitate the process. The only input from the Board pertained to the financial aspects of the project.

For the December Board meeting, the executive prepared a one-page handout outlining the process. The piece listed

the recommended committee composition, the goal, areas of interest, key informants and a timetable that called for committee work from January 1992 through the summer and a final plan ready for presentation to the Board in September. Considering that the plan would govern the organization's activities, including Board functions, for the next three years, there was no evidence of or reference to Board involvement in drafting this material.

Although the work was supposed to get under way in January, by the third week of the month when the Board met, no consultant had been selected, and the discussion still centered on finances. In February, the CEO announced there would be a delay in forming the committee until word was received about a possible grant to cover the consultant's fees. By the April Board meeting, the idea of hiring a consultant had been dropped. The members of the Strategic Planning Committee were identified, and the Board was asked to approve a new Mission Statement drafted by the committee, which was done with virtually no discussion. The liveliest exchange on the subject took place at the May Board meeting over the question of who would be surveyed in the community, with the executive pushing for more selectivity than some of the Board felt was warranted. At the June Board meeting, the committee chair reported that three questionnaires had been developed and they were now in the data-gathering stage.

The expected completion date for the full plan was a bit vague--sometime in 1993.

Finally, we come to the issue of Board rotation, which has figured into the earlier parts of this chapter. Since the concerns over term limitations as they affect norms and values within the organization have already been addressed, here we will concentrate on the steps in the decision process. Once again, it is a case of the CEO determining what he feels is in the best interests of the agency and then going about the business of winning support for his views. The fact that the same accrediting group referred to above also had recommended adopting a policy of rotation served to strengthen his resolve and to justify his efforts to secure support.

By the April Board meeting, it was clear that he had been making good use of his hard-earned idiosyncrasy credits. As Hollander (1978) notes, "there is the expectation that, once accumulated, credits will be used to take actions which are in the direction of needed innovation" (p. 41). The chair of the Nominating Committee, the CEO's longtime Board ally, recommended that a By-laws Committee be constituted to study, among other things, Board rotation. At the May meeting, the Board President formally announced the reactivation of the supposedly standing committee. However, since

much of the resistance to the policy is based on the fear of losing status and being rejected, a rational approach may be useless. It will not be a simple task to bring about this governance change, as was evident from the heated discussion on the topic at the Executive Committee meeting in June. The executive provided a two-page handout that attempted to establish logical reasons for instituting the policy, with the resulting pros and cons of such an action. The piece also included a breakdown of the service of the present members of the Board, which showed that over half had been trustees for more than ten consecutive years, and presented a possible way for the policy to work. The only decision reached was to continue to consider the idea.

Concluding Remarks

In describing what he considered the most important responsibilities of a board, the CEO revealed he is very aware of his own Board's dependence on him when he noted that their usual pattern is to react to initiatives that he introduces. Yet, despite the expressed concern over the amount of power he has been given to shape the organization, there was little concrete evidence of efforts to empower the Board. For example, as already mentioned, an issue is often brought to a Board committee's attention, or even to the full Board, by means of a single sheet of paper that contains the barest amount of information: no balanced discussion about the

possible impact of the matter on the agency, no explanation of how he arrived at his suggested course of action, etc. Although some of these details are conveyed verbally at the time the issue is presented, the Board rarely is given the opportunity to arrive at a conclusion, whether its own or the one recommended by the CEO, on the merits of the issue alone.

To his credit, the executive does acknowledge that he derives a good deal of professional and personal satisfaction from the Board's confidence in him. Yet it would be unfair to leave the impression that his interests are primarily self-serving, for there can be no doubt of his dedication to and love for the Center. In weighing all of these factors, perhaps the most important measure of his impact over the years is the undeniable growth of the organization under his leadership.

CHAPTER SIX: SOCIETY FOR FAMILY RESTORATION

The Internal Context

Located in the Town of Riverside (population, approximately 40,000), the Society for Family Restoration (the "Society") is a 145-year-old "voluntary, non-profit agency committed to improving the quality of life for children of the...area who are unable to live at home. This is accomplished by providing temporary residential care, permanent living plans and therapeutic services to the children and their families" (Mission Statement). The clearly stated long-term goal of the agency is to return the children in its care to the community.

Clients are referred by the Department of Social Services of the county in which the agency is located and of the four surrounding counties; placements and plans must be approved by the Family Court. The maximum number of children that can be accommodated in residential care at any given time is fifty-five. The Society owns its primary facility, a 25-acre partially wooded main campus with several buildings, a playground and a ballfield, which the agency has occupied since 1922, and also operates three boarding homes in a nearby town. Riverside, an industrial community surrounded by working farms, is the county seat.

Although founded in 1847, the Society was not incorporated until 1852. The incorporation papers reveal the agency's basic structure, which persists to this day and will be described in detail in the next part of this chapter, but also exemplify the thinking of mid-19th century America with regard to child welfare. As noted by Trattner (1984), "the organized charity movement aimed not only at eliminating fraud, inefficiency, and duplicity in the field but also at devising a constructive method of dealing with or treating poverty" (p. 92). The organization came into being through the efforts of several prominent citizens of Riverside who were concerned about the moral and physical well-being of "friendless, destitute or unprotected females, and for friendless or unprotected children" (incorporation papers). To that end, residential care, adoption and indentured service in "houses of industry" were deemed appropriate activities to be overseen by the Board, who were also empowered to hire matrons or other staff to handle "domestic and internal concerns."

From the beginning, the Society's volunteer leadership has been drawn from the top echelons of the local community, and this has had a decided impact on the agency's finances. It is the only one of the study sites that is not affiliated with the United Way, primarily because it secures enough income from other sources and therefore does not need to

accept the restrictions of membership. Governmental funds accounted for about 96% of the 1991-92 operating budget of \$2.8 million. The other major source of revenue is an annual direct mail campaign to a limited number of donors who have supported the agency over the years. This year, the campaign exceeded all projections by a wide margin (15% over goal). As a result, the Treasurer was able to report to the Board that because revenues were approximately \$73,000 over budget, 97% of the dividends on the endowment fund had been returned for reinvestment.

The endowment fund has grown to a healthy \$7.2 million, thanks to a prudent investment policy, good management of the portfolio and a steady influx of monies from bequests and legacies. However, due to the strong dependency on State funds at a time of fiscal uncertainty, the agency has adopted a cautious budgetary posture with a projected overall increase of just 4% for the next year.

The Leadership Core

The Society has a unique governance structure, which as noted above was set at the time the agency was incorporated. First, there is the Board of Managers, the equivalent of the usual board of directors; all forty-four members are female. Then, there is the Board of Counselors, all thirteen of whom are male. To all intents and purposes, the Managers run the

agency; the Counselors serve in an advisory capacity but do have oversight responsibility for all real estate transactions. One trustee remarked that an all-female board is a "throwback" ("The agency started as husbands funding their wives' good works") but said she wouldn't change it because it works well, and the Managers do not feel hampered by the Counselors' function. This was seconded by another Board member who felt the Counselors were important to maintaining the agency's traditions.

Although the Counselors are available when needed, they meet as a body once a year, in the spring, primarily to learn about the Society's financial status. At least two Counselors do serve on the Investment Committee, one as chair. In addition, there are the Associates, who become eligible for a lifetime appointment after serving three consecutive, three-year terms on the Board of Managers. The Associates also meet once a year at a special luncheon. They are expected to contribute to the agency's campaign and may be called on for a particular task: for example, an Associate was asked to read the final document prepared for accreditation review to ensure continuity of tone.

Table 12 presents the profiles of both of the Boards. In terms of ethnicity, the majority, representing 95% of the Managers and 92% of the Counselors, are white. The remain-

Table 12
Board Profiles -- The Society

A. Board of Managers (n=44)

Gender		Ethnicity		Age		Occupation	
#	%	#	%	#	%	#	%
F = 44	100	Caucas. = 42	95	21-30 = 1	2	Educator = 5	11
		Afr.Am. = 2	5	31-40 = 2	5	Hlth.prof. = 3	7
				41-50 = 20	45	Homemaker = 17	39
				51-60 = 15	34	Ins. agt. = 1	2
				60+ = 6	14	Mgr.(bus.) = 3	7
						Mgr.(n-p) = 1	2
						Politico = 1	2
						Retired = 6	14
						Secretary = 1	2
						Self-empl. = 4	9
						Volunteer = 2	5

B. Board of Counselors (n=13)

Gender		Ethnicity		Age		Occupation	
#	%	#	%	#	%*	#	%*
M = 13	100	Caucas. = 12	92	31-40 = 2	15	Attorney = 2	15
		Afr.Am. = 1	8	41-50 = 2	15	Banker = 1	8
				51-60 = 3	23	Cleric = 1	8
				60+ = 6	46	Consultant = 1	8
						Doctor = 1	8
						Mgr.(bus.) = 3	23
						R.E. bkr. = 1	8
						Retired = 3	23

*Does not equal 100% due to rounding with small n.

Note: The profiles describe the Board of Managers as of September 1991 and the Board of Counselors as submitted to the accrediting body in March 1992.

ing Board members in both cases are African-American. The largest segment of the Managers are in the 41-50 age group (20, or 45%), with another 15 members (34%) in the 51-60 age group. Just three members (7%) are between the ages of 21 and 40. A possible explanation for this distribution may be the heavy expectations of Managers for attendance at meetings and participation on committees, which may preclude involvement by women with young children and at early career stages. The number of those in the 60+ age group (6) is the same for both Boards, but for the Counselors, they represent almost half (46%), as compared with 14% of the Managers. In general, the Counselors are older than the Managers; over two-thirds (n=9) are 51 or above.

Seventeen (39%) of the Board of Managers describe themselves as homemakers, and six others (14%) are retired. Educators constitute the next largest group (5, or 11%), followed closely by the self-employed (4, or 9%). The remainder are scattered among a variety of occupations. All of the Counselors are current or former senior-level managers in local businesses or professionals. When one takes into consideration the volunteer involvement of both Boards as well as the social standing of most of the members, they represent a veritable who's who of the local area. It is not surprising then that many of the Managers and Associates are or have been affiliated with the Junior League.

When the Managers were asked through the questionnaire their reasons for serving on the Board, all of the respondents checked "We perform a useful service." The next most frequent answers were: "I can meet interesting people" and "It offers me a creative outlet." One person indicated she had an adopted child and because of her first-hand knowledge of the system, wanted to improve conditions for other children. Another's father had been a resident at the agency, and as a child herself, a third had known children who were clients. In the aggregate, 50% of the responses were service-related, and 50% reflected personal needs and interests.

The current President of the Board of Managers is a white female in the 51-60 age group. She is married to a local banker and describes herself as a homemaker. By chance, I met the Board President's aunt, now an Associate Member, at one of the agency's many social occasions for the volunteers and learned that she had been the one to bring her niece onto the Board in her capacity as a member of the Nominating Committee because she saw the Society as a "training ground" for other organizations and thought it would be a positive experience. The President is a member ex officio of all committees and makes a point of attending all meetings.

The CEO is a white male who appears to be in his 50's. He is the only one of the four executives who holds a degree in

education rather than social work. He has been in the top position for the past fifteen years--his first and only experience as an agency executive. The CEO is the second of what might be termed a "professional manager"; in the past, the agency head had been more of a matron, in keeping with the original setup of the organization. His immediate predecessor, who served as the transition figure, recommended him for the job, and is now a member of the Board.

Organizational Rules, Norms and Practices

Since the Board of Managers is the central volunteer component of the Society's leadership core, all references to the Board from this point on will be to the Managers, unless indicated otherwise. Before addressing the specific aspects of this organization's rules, norms and practices, it is important to the overall understanding of the agency to take a closer look at the reasons the Board members offered for their participation.

Covelli (1989) maintains that upper class women are

aware of and act on class-consistent incentives for taking on community leadership roles. While raised to volunteer out of family tradition and noblesse oblige, the women are not unaware of the rewards of their work: they develop expertise, expand contacts and gain prestige, and assure the continuance of community leadership roles as a dominant class prerogative and the maintenance of the voluntary sector status quo. (p. 33)

Many of the questionnaire responses from the Society's Board support this viewpoint. Service-oriented answers included

such specific comments as: "I feel it is my duty to give back to the community and share my skills," "I feel I contribute in a small way to a worthwhile mission," and "Responsible citizen and professional participation in community life." Some representative answers reflecting more personal needs and interests were: "It is a...rewarding activity" and "Broaden my perspectives." One of those who described herself as a community volunteer was quite candid about why she was on this Board: "This is not the only organization in which I am involved. It doesn't represent a major source of personal satisfaction although I would like to be Board President because of the prestige of the agency and the position."

A growing debate within the Board concerns the relationship between the high expectations of members for committee work and regular attendance at meetings that are always held in the daytime and the organization's continued ability to attract the best possible people, especially when one considers the number of women in the work force. While the Board members with whom I spoke at some length did not see this as a problem right now, there was a general feeling it could present difficulties in the future. One person recognized the need at some point to reexamine the times of meetings and even the expectations of the Board if they are going to be able to recruit key individuals who work but was

also afraid this might mean "people will give less." Another who also thought timing and expectations might have to be reviewed noted that the Society had "some diversity in terms of geographic distribution, race and religion...[but] little diversity in terms of age (lack of members under 30) and socioeconomic levels." However, a third staunchly supported the status quo: "This concern about the possible loss of people for the Board has been said before, but it has never proved to be a barrier."

On the other hand, there was the Board member who felt they were already changing from a "society Board" to more of a professional group. Yet, one of the "new breed," a Board member with a full-time job, was clear about what it would require for her to accept an officer's position. Even though she has enough flexibility to enable her to participate at her present level, anything more would depend on her ability to negotiate more release time from work. At the other end of the spectrum from the Board member who defended the agency as it is now was the individual who told me of her serious concern that the current leadership is out of touch with the changing demographics regarding women: "I resent being relegated to the...role of 'cookie baker' and I feel this year there's a growing split within the Board between those who want to stay traditional and those who feel that's not why they are on the Board."

One incident brought this debate into clear relief. At the April meeting of the Executive Committee, the Corresponding Secretary recommended that engraved gifts be purchased for the outgoing Managers and Counselors. Since this is a group that prides itself on consensus management, I was surprised by the heated discussion that ensued over the merits of this action in general and about the manner in which the question was raised. Reference was made to an action taken the previous year not to buy elaborate presents, and pointed remarks were directed at the Corresponding Secretary. In the end, the President broke the tie by voting for the measure, which was also a vote of confidence for the Corresponding Secretary, one of her closest friends. Afterwards, one of those who had been in opposition explained she had been upset at the cavalier way the issue had been brought to the table, with a full expectation that the others would go along with the Corresponding Secretary's preference despite the contrary views on such matters already on the record. This was seen as an attempt to remind the Board members of their social obligations, thereby discounting their role as policy makers.

There was one point on which everyone seemed to be in agreement, that the Society has a working board. All the respondents to the item on the questionnaire addressing this construct gave an affirmative reply. In terms of structure

alone, the organization has a highly evolved officer complement that encompasses a President, four Vice-Presidents, a Treasurer, two Assistant Treasurers and two Secretaries and a multi-dimensional committee system, with twelve distinct components. Regarding this complex arrangement, one Board member remarked that while size could be a problem, here it was a necessity because of the number of committees.

When asked on the questionnaire to define the term *working board*, a relative newcomer, with less than a year's service, simply said: "This one--everyone seems to be involved and on some committees." The thirty-nine respondents to this question were split between general or theoretical definitions (12, or 31%) and more concrete explanations (27, or 69%). In the first group, a typical response was: "A board in which each member contributes something to help the effectiveness and purpose of the institution." Similarly, others saw a working board as one where "everyone has a specific 'job' to do and a definite responsibility to perform" and "[everyone] works jointly with the executive to ensure the best possible results."

Of those whose answers were more substantive, many cited the importance of committee work, which is not unexpected in view of what has been stated previously about agency norms, and several spoke of setting policy, having oversight re-

sponsibilities, raising funds, representing the organization to the public and making short- and long-term decisions, all duties of trustees frequently cited in the literature (see Conrad & Glenn, 1983, for example). A representative answer here was: "Actively review and assess goals and objectives in the light of present position. Offer guidance and advice as well as approval or disapproval when needed and in our case actively pursue fundraising."

However, there were also a good number who equated a working board with having hands-on responsibility for day-to-day operations, as one person put it, "to insure that certain programs take effect if time or staffing may be slowing progress." Although this is often viewed as inappropriate or not recommended for trustees (see Fram & Brown, 1988, for one), O'Connell (1985) takes a more pragmatic position: "Obviously, lay board members should not be substitutes for highly skilled specialists, but neither should the specialization of the program obfuscate the board's role and responsibility. Nor should it freeze out the greatest possible utilization of volunteer time and talent" (p. 48). He goes on to advocate for the return of the program volunteer. The Society's leadership seems to subscribe to a similar attitude regarding the volunteer role, but perhaps with even more of a blurring of the lines, for the same individuals may carry both programmatic and decision-making responsibil-

ities. For instance, the duties of the Vice-President in Charge of Buildings and Grounds, as noted in the Board Manual and the Bylaws, include oversight and coordination of "all phases of operation and maintenance of the physical facilities," oversight of "the support services, including housekeeping, dietary and maintenance," and supervision of "any renovation or new construction project" not assigned to a specific committee. At the same time, this V-P chairs a Board committee and reports on its activities at Executive Committee and Board meetings, and she is second in line to substitute for the President in her absence. In addition, with the full encouragement of the CEO, Board members read case files and attend case conferences on a regular basis, and a Board/staff Utilization Review Committee has been formed.

As mentioned above, the Society has a Treasurer and two Assistant Treasurers. The Treasurer is "the chief financial officer of the Board," and as such, chairs the Finance and Budget Committee and serves as the liaison between the Investment Committee and the Board. The First Assistant Treasurer supervises the Operating Account, and the Second Assistant Treasurer, the Special Accounts, which include bequests. Historically, the three Treasurers were considered to have more authority than the Executive Director on financial matters affecting the agency. In fact, the previ-

ous CEO recalls being told that this area "belonged" to the Treasurers and the Finance Director, a staff member whom she supervised. Ostrander (1987) notes that one way class elites in private social agencies exercise power is through holding leadership positions on the board, whereby their "beliefs and practices..., particularly regarding fiscal matters, become the accepted realities and are formally established as agency policies" (pp. 85-86).

It is a testament to the abilities of the present executive, therefore, and to the high esteem in which he is held by the Board--and possibly to his being the first male CEO--that he has been able to change this practice and now plays a central role in overseeing agency finances. However, during the course of the observation period, the Treasurer attempted to recoup some of the position's traditional authority by advocating in a memorandum to the Future Planning Committee (April 1992) the formation of an Audit Committee of Board members to recommend the appointment of and "confer with and/or receive the annual evaluation from" the agency's outside auditor. Probably the only time I saw the CEO's usual equanimity disturbed was in discussing this proposal with him in private. Publicly he demonstrated his political skills by voicing no direct opposition to the measure but simply letting the idea float through the committee process,

knowing that by the time a vote might even be considered, the current Treasurer would be out of office.

This incident notwithstanding, there was an extraordinary level of agreement within the leadership core over the division of labor at the Society, which no doubt stemmed from the agency's well-established ways of doing things and the length of the executive's tenure with the organization. It is interesting to see then that opinions diverged to a degree when the Board members were asked through the questionnaire for their general views on the separation of powers in a nonprofit agency (Table 13). While all of the respondents agreed with the statement that the board and executive should function as a team and only one person disagreed with the idea that personnel matters are the purview of the CEO, there was a fair amount of difference on the remaining three items.

Although nearly two-thirds of the respondents (25, or 63%) disagreed with the statement that the Board alone should set policy, a sizable number held the opposite point of view. Almost as many people strongly agreed with the item as strongly disagreed with it. On the remaining two statements--dealing with the question of the board's role in day-to-day operations and the relationship between the president and the CEO--there was again a split but of less dramatic

Table 13
Board Opinions on Separation of Powers: The Society

Statement	Total # of Resp.	Rating							
		SA		A		D		SD	
		#	%	#	%	#	%	#	%
The board and executive should function as a team.	39	34	87	5	13	0	--	0	--
The board alone should set policy.*	40	10	25	5	13	13	33	12	30
The board should not get involved in agency day-to-day operations.*	38	13	34	16	42	7	18	2	5
The board president serves as the executive's "boss."*	40	4	10	8	20	15	38	13	33
Hiring, firing and discipline are the executive's responsibilities.*	39	26	67	12	31	1	3	0	--

*Percentages do not equal 100 due to rounding with small n.

Notes: 1) Codes: SA = strongly agree, A = agree, D= disagree, SD = strongly disagree

2) Source: Board Questionnaire

proportions. Twenty-nine of the 38 respondents (76%) felt a board should not get involved in the operational side; twenty-eight of 40 respondents (71%) did not perceive of the president as the executive's "boss." In general, I would attribute these differences to the difficulty that some Board members had at all four sites in refraining from personalizing their responses to their own situation. At the Society, for instance, the relationship between the Board President and the CEO was certainly not that of boss to employee. Indeed, when I asked the President to speculate about the agency were the executive to leave, she immediately replied: "I don't even want to think about the possibility!"

Even though the Society's CEO was content to allow the traditional style of slow deliberation through committee work to dictate the pace of governance and decision making, he was quite evidently a central figure in whatever was under consideration. Perhaps because his background was in education, he was the most skilled of the four executives in presenting issues, even complicated ones, to the Board in an understandable fashion. We will look at this talent more fully in the last part of the chapter when the specific critical issues faced by the organization during the observation period are discussed, but as an illustration, at the December Board meeting, in response to a Board member's

question about the State Department of Social Services' approach to placement, the CEO gave a brief but complete answer describing the setting of rates and other rather technical aspects of the system. In my interview with the executive, I mentioned how well he seemed to manage these educational moments, and he indicated that he consciously planned ways to bring up issues but also seized the opportunities that were presented. For example, he has looked for chances to make the Board more comfortable with the agency's financial strength because he believes many of them are almost embarrassed to have such a large portfolio as a social agency.

The CEO has the luxury of spending considerable time developing the Board due to the clear delineation of responsibilities within the leadership core. In raising revenue, for instance, he deals with government contracts and the Board runs the direct mail campaign. The importance to the agency of the trustees' high level of involvement is evident in the efforts that have been made to accommodate their needs. In addition to the small conference room often used for committee meetings, the Board has its own space at the agency where members can gather to work on projects. There is a mailbox for each Board member and a staff person assigned to support their efforts. With the large number of committees, it seems as though a meeting is in progress at all times,

and yet everything is done in an orderly fashion. At the Society, one never has to worry about finding minutes or getting a copy of a desired document!

Overall, it would be fair to say that the executive is Mr. Outside and the Board, Mrs. Inside. Part of the CEO's high standing with his Board stems from his position as the boundary role person (BRP), for as Spekman (1979) notes, "the potential dependency relationship, growing from the BRP's ability to 'cope with' or 'absorb' uncertainty for...other organizational members, affords boundary spanners an excellent opportunity to enhance their position of power within the organization" (p. 104). So, while the executive never patronized the Board, he constantly demonstrated his mastery of complex matters through his "lectures." The trustees recognize that he has the vital knowledge and contacts to ensure the organization's viability, and this is a great source of comfort for them.

Another perspective on the Society Board members' understanding of their governance responsibilities is provided in Table 14. Question #8 of the Board Questionnaire asked the respondents to determine, in each of four key management areas--annual goals, annual operating budget, long-term goals and operational effectiveness--which part of the leadership core has primary, contributing or no

responsibility for the planning, approval, implementation and review of the areas. The intent of the question was to explore the degree to which teamwork is practiced, and at what level of consistency, in relation to specific tasks.

As noted in the Board and Administrator Seminar (Center for Management Systems, 1985), "in any team effort, each part of the team has assigned responsibility areas. On the best teams, the players know their own assignments and allow each other to carry out assignments without interference." While there may be disagreement over the most effective division of responsibility, the fundamental issue is for each agency to find the way that works best in its particular setting. For the Society, this translates to assigning the CEO the primary responsibility for the implementation function in all areas and, in broad terms, for planning in the two operational areas (budget and effectiveness). The Board is viewed as having primary responsibility for the planning, approval and review of long-term goals, for the approval and review of annual goals, and for approval of the operating budget.

For the other functions in the different areas, the division of labor is much less clear-cut. In the planning of annual goals, the respondents assigned the primary and contributing roles to both the Board and executive in equal measure.

Table 14

Board Perceptions of Governance Responsibilities: The Society

Area by Function and Locus	Total # Respons.	#	Level of Accountability					
			#	%	#	%	#	%
<u>Annual Goals: Board</u>								
Plan	33	P(17)	52	C(16)	48	-(0)	--	
Approve	36	P(31)	86	C(5)	14	-(0)	--	
Implement	32	P(9)	28	C(19)	59	-(4)	13	
Review	34	P(22)	65	C(12)	35	-(0)	--	
<u>Annual Goals: Executive</u>								
Plan	33	P(16)	48	C(17)	52	-(0)	--	
Approve	29	P(2)	7	C(21)	72	-(6)	21	
Implement	35	P(25)	71	C(10)	29	-(0)	--	
Review	32	P(8)	25	C(24)	75	-(0)	--	
<u>Oper. Budget: Board</u>								
Plan	33	P(7)	21	C(23)	70	-(3)	9	
Approve	35	P(23)	66	C(12)	34	-(0)	--	
Implement	30	P(1)	3	C(24)	80	-(5)	17	
Review	34	P(18)	53	C(16)	47	-(0)	--	
<u>Oper. Budget: Executive</u>								
Plan	34	P(27)	79	C(7)	21	-(0)	--	
Approve	30	P(10)	33	C(12)	40	-(8)	27	
Implement	34	P(29)	85	C(4)	12	-(1)	3	
Review	31	P(12)	39	C(18)	58	-(1)	3	

- Notes: 1) Codes: P=Primary responsibility, C=Contributing responsibility, --=No responsibility
- 2) Source: (responses) Board Questionnaire
(format of question) Center for Management Systems, 1985
- 3) Since some respondents chose not answer part or all of this question, figures do not equal the total number of questionnaires returned (40), varying from a high of 36 to a low of 29.

Table 14, continued

Board Perceptions of Governance Responsibilities: The Society

Area by Function and Locus	Total #		Level of Accountability					
	Respons.	#	%	#	%	#	%	
<u>Long-Term Goals: Board</u>								
Plan	34	P(21)	62	C(13)	38	-(0)	--	
Approve	36	P(28)	78	C(8)	22	-(0)	--	
Implement	32	P(6)	19	C(24)	75	-(2)	6	
Review	36	P(24)	67	C(12)	33	-(0)	--	
<u>Long-Term Goals: Executive</u>								
Plan	35	P(16)	46	C(19)	54	-(0)	--	
Approve	31	P(4)	13	C(21)	68	-(6)	19	
Implement	34	P(26)	76	C(8)	24	-(0)	--	
Review	32	P(9)	28	C(23)	72	-(0)	--	
<u>Oper. Effect.: Board</u>								
Plan*	32	P(3)	9	C(27)	84	-(2)	6	
Approve	34	P(15)	44	C(19)	56	-(0)	--	
Implement	32	P(1)	3	C(26)	81	-(5)	16	
Review	35	P(12)	34	C(22)	63	-(1)	3	
<u>Oper. Effect.: Executive</u>								
Plan	36	P(31)	86	C(4)	11	-(1)	3	
Approve	32	P(16)	50	C(13)	41	-(3)	9	
Implement	36	P(34)	94	C(2)	6	-(0)	--	
Review	34	P(23)	68	C(11)	32	-(0)	--	

*Percentages do not equal 100 due to rounding with small n.

- Notes: 1) Codes: P=Primary responsibility, C=Contributing responsibility, --=No responsibility
- 2) Source: (responses) Board Questionnaire (format of question) Center for Management Systems, 1985
- 3) Since some respondents chose not to answer part or all of this question, figures do not equal the total number of questionnaires returned (40), varying from a high of 36 to a low of 29.

While the respondents gave a slight edge to the Board for the primary role in the review of the operating budget (58% vs. 47%), the view of the CEO's responsibility here was split, with 39% believing he should also have a primary role, 58% seeing him in the contributing role and 3%, no role at all. In the area of Long-Term Goals, again the Board assigned the CEO a strong role in the planning function but were almost equally divided between the primary and contributing role (46% vs. 54%). While most (68%) felt the executive had a strong contributing role to play in the approval of long-term goals, four respondents (13%) assigned him the primary role and six (19%), no role at all. Finally, with regard to operational effectiveness, this was generally seen as the CEO's area of responsibility, but the Board gave itself a strong role for the approval function, with slightly more leaning toward contributing than taking the lead (56% vs. 44%) and also in the review process, again with an emphasis on the contributing role. In the two operational areas, budget and effectiveness, there was a strong contributing role for the Board in planning as well. At this site, these responses are consistent with my observations of the Board and executive in action and with the other data sources, that is, a fundamental teamwork approach.

Values, Beliefs and Assumptions

In their study of Canadian nonprofit organizations, Bradshaw, Murray and Wolpin (1992) found that:

Boards with a higher proportion of women...were more likely to use different selection criteria. They put more emphasis on skills such as the ability to work well with others or the need to share the organization's ideology rather than on financial connections or personal ability to donate funds or bring prestige to the organization. (pp. 19-20)

At the Society, the Board members appear to be selected both for their fit with the organization and their status in the community and/or ability to provide financial support. The expectations of trustees are made clear to all prospective Board members, and no one is invited to join who can not make the necessary commitment to attend meetings regularly and participate in the committee work. At meetings, a consensus style of decision making prevails, with the occasional question for clarification purposes. Yet, as noted earlier, definite attention is also paid to what the individuals can bring to the organization in a more material sense. By way of illustration, in addition to the responsibility for planning and administering the annual fundraising campaign, the Managers are expected to support their own Voluntary Fund.

However, since the organization in turn confers prestige on its Board members due to its fine reputation, there are always more candidates for vacant slots than can be accommo-

dated. And it is indeed a pleasant experience to serve on this Board, the amount of work involved notwithstanding. For instance, Board meetings are held in the agency's large living room, with its overstuffed chairs and comfortable couches, a working fireplace, a piano and French doors leading out to the grounds. A tea cart filled with freshly baked goods, along with coffee and tea, stands in the hallway just beyond. Two other niceties are also worth mentioning. At the meetings I observed, the Board President never failed to thank a Manager publicly for even the smallest of deeds, and besides the usual agenda, Board members received a calendar of events listing dates of committee meetings and social events for the following three months. All of these details contribute to establishing a very civilized atmosphere.

Nevertheless, this Board is more than simply a collection of Ladies Bountiful. Based on interviews with some of the primary decision makers, the Managers take their responsibilities seriously and have an astute sense of their own strengths and weaknesses. All seven of the interviewees rated the Board's current performance as very effective, with the agency's financial stability and the contributions of the Executive Director cited as major factors. To one individual, the most important "tasks" for any board are commitment, dedication and a belief in the organization.

Accordingly, she based her rating of the Society Board on the fact that people are always responsive when asked to do something: "When people join this Board, it becomes the #1 priority"--an attitude she attributes to the CEO.

Another felt a board's key responsibilities are to set policy and have the vision to impart it. By viewing the Society as "institutional, in a positive sense," the history and tradition of the agency figured prominently in her high rating of the Board: "There is a sense of reverence, of being entrusted with history, which has been translated to the executive, who works to preserve it, and the agency has been successful." A third interviewee seemed to sum up the general feeling. For her, the most important responsibility of a board is to provide direction ("to determine the fate of the organization through thoughts, not labor"). While also seeing the CEO as a strong asset, she believed the Board's faithfulness to the organization's basic purpose was central to their success:

We must never lose sight of the fact that our mission is to restore lives. In my years of service, I honestly believe that this board has not lost that sight, nor gotten mired in the personalities and trivial things that can destroy a board. We work together and provide the proper input to [our CEO], without undermining his effectiveness.

And the CEO concurred with the idea that the Board is clear about the Society's mission. He also had a similar opinion of a board's primary responsibilities--"supervise the execu-

tive director, insure the financial viability, establish the mission and see that the activities fit"--and was full of praise for his Board's hard work on behalf of the agency, noting there was strong peer pressure.

Yet, despite the general sense of contentment with the Board's performance, there are signs that some Board members are beginning to question their effectiveness and the basis on which they evaluate themselves. As one Manager said, "How do we know we're doing a good job? By what standards? We don't look at issues such as client empowerment and perhaps we should. The Board doesn't ask enough questions and tends to be too dependent on the executive." In addition, this individual felt the agency ought to use its resources to help the community and share its expertise by publishing the results of its work, doing training on parenting skills, etc. These sentiments were echoed by a second Board member, who would like to see the organization take more risks, such as using part of the endowment to underwrite innovative projects, research, and other similar activities. And a third indicated she would like the agency to be more involved in advocacy: "The challenge is to move into new program areas and address emerging issues." Whether these feelings were evoked by my study or are more deep-seated remains to be seen. My overall sense was that the Society Board as a group is not given to a great deal of

introspection, and unless there were strong direction from the executive, change of any magnitude is not likely in the near future.

Turning now to the other half of the leadership team, the CEO, we can see from Table 15 that the Board places a premium on concrete, technical abilities and professional qualifications in assessing top management. When asked to identify the three most important characteristics of a good executive, 28 of the 38 respondents (74%) included general management skills on their list. The next most frequently mentioned qualities were: knowledge of client problems (n=22, 58%), communication skills (n=21, 55%), prior experience (n=17, 45%), and educational background (n=15, 39%). Although the Board considers more abstract qualities such as the ability to work with others and commitment important for its own members, only a few respondents cited these with regard to the executive. And despite the Society CEO's key role in negotiating government contracts, there were only three individuals who mentioned this area as desirable in an executive (Two listed "knowledge of the bureaucracy" and one, the ability to "see the 'whole' picture in and out of the agency").

At the Society, both the Board and the CEO focus on year-to-year operations. Each officer and committee head maintains

Table 15
Board Perceptions of Characteristics
of a Good Executive: The Society

Characteristic	Frequency	% of Total Responses
General management skills	28	74
Knowledge of client problems	22	58
Communication skills	21	55
Prior experience	17	45
Educational background	15	39
Knowledge of community	3	8
Ability to work with others	2	5
Knowledge of bureaucracy	2	5
Commitment	1	3
Ability to delegate	1	3
Represent mission, values, vision of agency	1	3
Sees the "whole" picture in and out of agency	1	3

Source: Board Questionnaire

Note: 38 of the 40 respondents answered this item.

a notebook of the activities during her watch; in addition, an officer (plus the head of the fund-raising campaign) is required to prepare a written annual report for the Board meeting in June, which serves as the Annual Meeting of the Corporation. Although I saw no evidence of a formal end-of-year report by the CEO, he gave a detailed presentation at each Board meeting, and the minutes reflected this. Given the executive's deliberate style of management, I was surprised to discover that the organization has no written long-range plan. When I raised this point with the CEO, he acknowledged that priorities are set in reaction to external events. In his usual straightforward fashion, he indicated long-range planning was not his strength and also he hadn't felt a need for it because he was content with the agency as it is. While the CEO realizes he is in an enviable position right now since there are no financial problems, he maintained that he did not feel complacent "because the situation could change for the worse at any time."

At different points in this chapter, I have noted the Board's respect for and reliance on their executive. Further proof was provided by the high rating given to the CEO by all Board members in response to my question about their level of confidence in his performance at this time. Over and over, individuals made reference to their own experi-

ences with the executive, citing his openness and responsiveness to their needs. For example, one said: "I have worked with him as [an officer]. I felt I was kept fully informed and consulted--free exchange of ideas existed." But just as many based their rating on more practical issues, such as the financial strength of the agency. A typical comment: "The Executive Director maintains an excellent working relationship with the staff and Board. He's well thought of by other executives. The program of [the Society] runs smoothly, achieving its stated goals." Based on the research of Herman and Heimovics (1990), the situation at this agency is not unique, for they "are inclined to believe that [their results] reflect a common reality in nonprofit organizations: that chief executives occupy a place of psychological centrality" (p. 171).

It is possible to study the board-executive association on several levels. After a content analysis of statements made by the respondents to the Board Questionnaire when asked to identify the most important aspects in maintaining a sound board-executive relationship, I was able to identify five specific dimensions of this relationship at the Society--interpersonal, administrative, technical, structural and procedural. Operating definitions for these terms are as follows (Webster's new collegiate dictionary, 1976):

- 1) Interpersonal--being, relating to, or involving relations between persons

- 2) Administrative--of or relating to performance of organizational duties
- 3) Technical--having special and usually practical knowledge
- 4) Structural--of relating to, or affecting a definite pattern of organization
- 5) Procedural--of or relating to a particular way of accomplishing something or acting

Thirty-eight Board members answered this item. Keeping in mind that individuals could, and many did, give multiple answers, twenty-eight (74%) responses were classified as interpersonal. The breakdown for the other categories by frequency was: Procedural (n=15, 39%), Structural (n=10, 26%), Administrative (n=5, 13%) and Technical (n=3, 8%).

The most frequent factor noted by the respondents was the importance of communication; thirty-three (87%) referred to it directly or indirectly. In the *Interpersonal* category, communication was often linked with mutual respect and trust. Under the *Structural* heading, one person spoke of the need for a "climate to exchange ideas, and even when these ideas are not feasible, a proper airing must be allowed." Others mentioned having free flowing discussions and an open exchange of information. And another identified "the 'no communication is too trivial' rule." Two typical procedural responses were: "Keeping lines of communication open and the board being kept aware of developments,

changes, etc." and "Complete openness and sharing of information necessary to make decisions." The communication factor was prominent even in the *Administrative* and *Technical* categories, as one respondent singled out the executive's role in informing and educating the Board while another said: "This is one of the many places that good communications skills count."

Speaking of roles, clarity in the respective responsibilities of board and executive was a second factor that led to a positive relationship, according to the respondents. Putting the matter succinctly, one said: "There must be a mutual understanding of the proper roles each must play" (*Procedural* category). Under the *Structural* heading, people talked of a team approach to management but with clear duties for each part of the team. At all four sites, responses sometimes straddled categories. For example, here is an answer that fits well both structurally and procedurally: "Each must understand the role of the other and not interfere in these roles."

Several Board members had listed the CEO's responsiveness to their needs as a reason for rating his performance highly. On the more general issue of maintaining a sound relationship within the leadership core in any setting, there were echoes of the same concept in four answers that fell under

the Administrative heading. The respondents identified availability as a key responsibility of an executive, in comments that were more clearly pointed toward their own CEO than those in the other categories. Speaking for all four in this group, one said: "His door is always open. He has always been available to provide support, guidance and a wealth of information." In a sense, this brings the matter right back to our starting point, communication.

Dynamics of Decision Making

In several occasions in previous chapters, the complexity of decision making has been duly noted. However, the process itself has perhaps not received as full an explanation as might be warranted. According to Driver and Rowe (1979), "although decision making is central to effective managerial performance, little is known about the actual process" (p. 142). In the past, prescriptive approaches and mathematical models have been offered as guides, but these have not proven to be especially helpful because they have tended to focus on limited aspects of the process and ignore individual differences. In response, the authors articulate a model, based on contingency theory, in which the decision process is affected by four factors, the individual needs and styles of the decision maker(s), the task or technical aspects of the situation, the internal and external environment of the organization and peer group pressure. For the

Society, the particular salience of the last factor, group behavior, becomes ever more obvious as we turn our attention to two critical decisions that occupied much of the leadership core's attention during the observation period, and also consider the course of a newly emerging issue.

Background

The efficiency and orderliness with which business is conducted at the Society are reflected in the agency Bylaws and in the Board Manual. Board meetings are held on the first Wednesday of the month, except in July and August; the annual meeting takes place in June. Even the order of agenda items is spelled out. Each meeting begins with the reading of Scripture and a silent prayer, which effectively marks the end of the informal socialization and sets the tone for what is to follow.

As indicated earlier, there is a highly evolved Board officer and committee structure. The Vice-President for Personnel oversees the activities of the Children's Program and Staff Committees, each of which has its own chair, and serves as chair of the Education Fund Committee. The Vice-President for Buildings and Grounds chairs the committee of the same name. The Vice-President for Public Affairs supervises the activities of the Campaign and Public Affairs Committees and their respective chairs; the Campaign Chair-

man serves first as Chairman-Elect for a year. Finally, there is a Vice-President for Future Planning, who chairs that committee. The order in which the four Vice-Presidents are listed is also the order of substitution should the President be absent or become incapacitated. On the fiscal side, the Treasurer convenes meetings of the Finance Committee, sits on the Budget Committee and arranges at least one session per year of the Investment Committee. Duties of officers and committee heads are presented in the Board Manual in minute detail. For example, twenty-three separate responsibilities are assigned to the Treasurer!

For a Board of this size, it is not surprising that the Executive Committee plays a prominent role in the agency's governance. While it is specified in the Bylaws that there be at least four sessions per year, in practice the Executive Committee meets monthly, generally a week prior to the Board meeting. All officers and the Campaign Chairman participate. Others on the Board recognize this committee's significance and want to be on it, according to one of the current officers. One of the dangers, as noted by Carver (1991), is that an executive committee can "become the real board within the board, with debilitating effects on holism. An insider/outsider division...is not an uncommon result" (p. 164). Indeed, another person familiar with the workings

of the Executive Committee spoke of the feelings some non-members have of being "removed."

However, it is the general belief at the Society that the Nominating Committee keeps the Executive Committee from becoming a clique, through its authority to present the annual slate of officers and committee chairs. For instance, even though the President was appointed to a second term, her close friend, the Corresponding Secretary, who figured prominently in the incident over recognitions described earlier, was not reappointed to an officer's position for 1992-93. This seemed to be the result of feedback from others on the committee who had perceived the Corresponding Secretary's behavior as too highhanded. Yet, of the eleven people who served on the Executive Committee for 1991-92, eight will be returning for the next term, four continuing in the same positions and four with new assignments.

The Future Planning Committee also plays an important role in the decision-making process. Despite the absence of a written long-range plan, this is the group charged with the responsibility for deliberations of this nature, and to that end, it may consult with other committees. Its other duties include keeping abreast of any current or proposed changes in government regulations and legislation that might affect

the agency and recommending appropriate action as required, periodically reviewing and updating the Bylaws and Board Manual, supervising any major construction "that may over-tax the Building and Grounds Chairman," and seeing to any issues related to accreditation.

During the observation period, the average Board attendance at the monthly meetings was thirty-three out of a possible forty-four, or 75%, and at Executive Committee meetings, an average of nine out of 11, or 82%. I attended eight Board meetings and seven Executive Committee meetings from September 1991 through June 1992. Because of the areas covered by the Future Planning Committee, I also attended its meetings on a regular basis from December through May, for a total of six sessions. In addition, I was present at the annual meeting of the Board of Counselors, the annual luncheon for the Associates and the Holiday Party, to which Board members, their families, local dignitaries and others with an interest in the agency's work are invited.

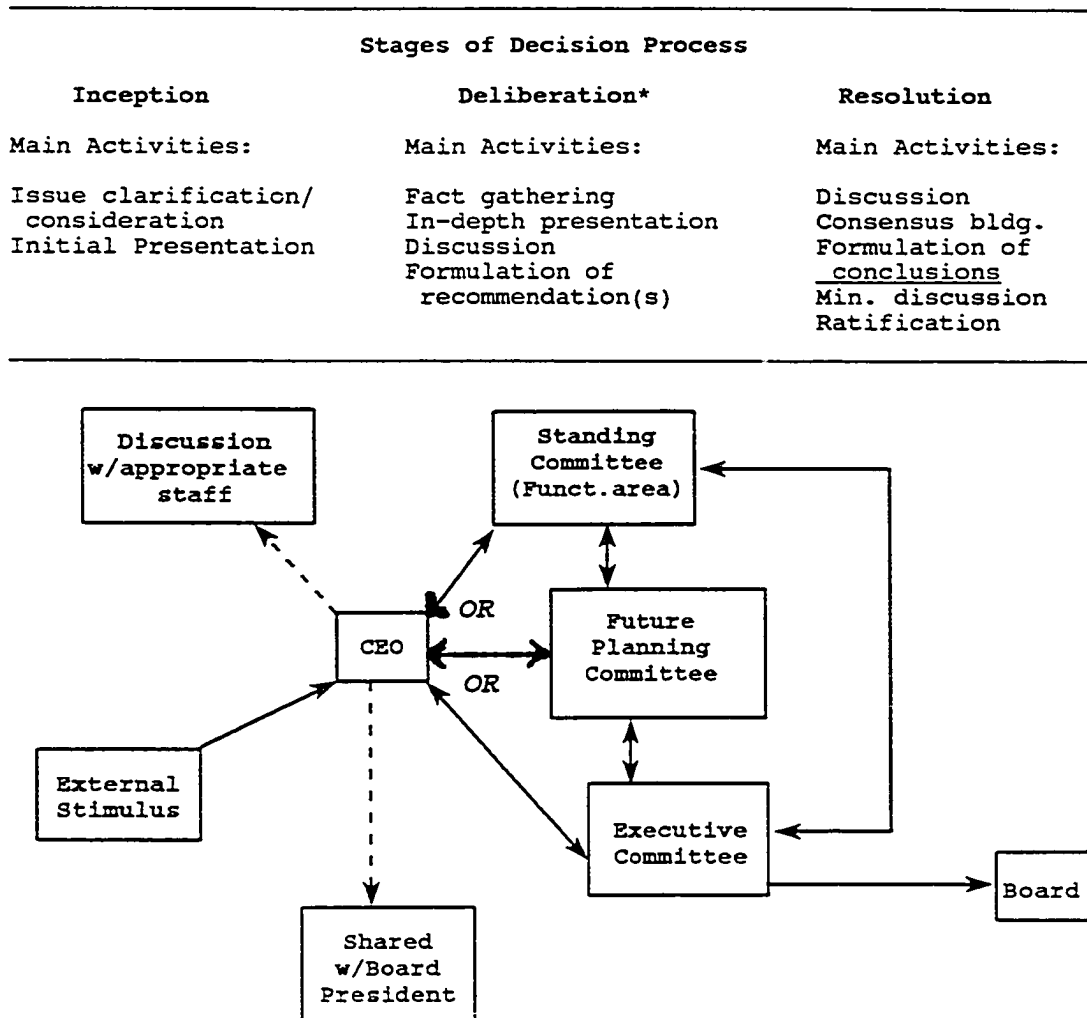
Decision Points

Hickson et al (1986) make an important distinction between managerial problem solving and decision making. While the former, in the classic model that begins with defining the problem and proceeds logically to choosing a solution, "continues to be a managerial aspiration as to how to tackle

a problem, it was not and is not the *social process* of reaching a strategic decision" (p. 249). In other words, problem solving focuses on the beginning of the chain of activities and decision making on the end. Two different questions are raised: "One asks how a problem should be, or is being, solved; the other asks how a decision comes about" (Hickson et al, 1986, p. 249).

The significance of process at the Society, both as a means to an end and almost as an end in itself, becomes evident as we consider how the leadership core arrives at decisions. Figure 3 presents a generic overview of the different stages in the decision process. As in the previous two settings, the CEO tends to be the one who serves as the first line of review on any major topic, but he is generally less proactive than his counterparts at the other sites. By nature, the executive is not inclined to be a risk taker ("I'm not the impetuous type!"), but he also indicated that he felt great pressure to maintain the agency's level of excellence and therefore saw a need to proceed cautiously with any new endeavor. One result of this personal and organizational style, however, is that the demarcation from one stage of the decision process to another is sometimes blurred.

Figure 3
Generic Decision Path: The Society



*Informational reports are presented to the Future Planning Committee, the Executive Committee and/or the Board on a regular basis. Such a report may be given as early as when the issue has first been identified. The issue is kept at the committee level until a consensus has been reached.

During the first stage, *Inception*, the CEO reacts to an outside stimulus, which may be from an individual or a group, by considering the matter in light of its potential impact on the organization, either immediately or in the future. Once having clarified the pros and cons in his own mind, he will lay out its parameters to the Board President and, where appropriate, discuss the issue with key staff. In many cases, the executive will include the issue in a general report to the Board, Executive Committee and/or Future Planning Committee very early on as an informational item, but it may be some time--even years--before the matter is brought to one of these bodies for any real action.

Once the CEO has a good understanding of the issue, he will confer with the Board President about referring the matter directly to the Executive Committee or the Future Planning Committee or asking the most appropriate standing committee to review it first. (Because of the number of standing committees, ad hoc committees are rarely, if ever, necessary.) Once the referral has been made, the process moves to the second stage, *Deliberation*. The executive and committee members, individually and collectively, share the responsibility for gathering pertinent information. For those issues that initially come before a standing committee, the next step is to report the findings to the Future Planning Committee. Relatively early, there is an in-depth

presentation, given most often by the CEO but possibly by a volunteer, to shape the discussion. While the topic is under consideration, the same material may be repeated three times in reports to the Future Planning Committee, the Executive Committee and the Board, in that order. As this stage draws to a close, several recommendations are possible: to refer the matter back to the executive for further study, to refer it back to the standing committee for more review or to move toward resolution.

Once an issue moves to the third stage, *Resolution*, there are two distinct components. As indicated above, the Future Planning Committee and the Executive Committee play important roles in the governance of the organization, and thus the first component centers around the activities of these two entities. Through repeated discussions, the committee members work toward formulating one or more conclusions while simultaneously building consensus around these likely outcomes. At this point, the CEO may clarify a point or add a new piece of information, but the decision making is left to the volunteers. Finally, when all details have been settled to the satisfaction of the committee members, the matter is brought to the Board. The second component of this stage consists of the full Board's minimal discussion of the committee report and ratification of the position presented, if formal approval is required.

In the period from September 1991 through June 1992, the Society's leadership core dealt with two significant issues: the agency's first-ever accreditation and the development of a training program for direct care workers. During the same time frame, a possible merger with a nearby residential facility was briefly considered; the manner in which this question was handled provides an excellent illustration of the agency's decision-making style. Table 16 summarizes the different aspects of the decision process. The first row focuses on the *gestation time*, that is, the period prior to the onset of the actual deliberations (Hickson et al, 1986), by examining relevant antecedent events, where applicable. As noted in the introduction to this section, events must be considered within the context of the internal and external environment. Therefore, the second row looks at this dimension. The term *Contextual Press*, which has been adapted from Miles and Huberman (1984, p. 124), conveys the idea that the environment exerts a kind of pressure on the decision process. The third row identifies the specific action during the observation period that determined how the leadership core would approach each issue. The final two rows refer to the Deliberation and Resolution stages of the decision path (see Figure 3). Each column of Table 16 provides a chronological view of the process.

Table 16

**Critical Issues Addressed by Leadership Core,
September 1991-June 1992: The Society**

	Issues		
	Accreditation	Staff Develop. Program	Possible Merger
Antecedent Events	Possibility of seeking accred. had been considered in past but rejected./ 11/90-applicat. to accrediting body.	11/90-ED rpt. to Bd. re gp. explor. of deg. program for direct care workers (gp. mtg. since early '90)/ 2/91-update at Bd. meeting.	CEO part of ongoing coalition w/3 other EDs of local agencies.
Contextual Press	Spring '91-Accredit. body approves application	10/91-ED rpt. to Exec. Com. re progress & need for \$100 memb. fee to coalition.	----
Initiating Act	10/91-ED informs Exec. Com. about Bd. question./ 11/91-Chair, Fut. Plan. rpt. to Bd. on progress.	11/91-\$100 fee approved by Bd.	10/91-CEO approached by ED of other agcy. re possible merger.
Problem Review	12/91-Status rpt. to Fut. Plan. Com./ 2/92-ED gives Bd. detailed report/ 2/92-ED describ. process to Fut. Plan. Com./ 3/92-Fut. Plan. Com. discusses rev. of accred. material.	12/91-Com. memb. detailed rpt. to Fut. Plan. Com./ 2/92-ED updates Fut. Plan. Com./ 4/92-Update for Fut. Plan. Com./ 5/92-ED gives maj. presentation to Fut. Plan. Com.	10/91-ED rev. issue for Exec. Committee/ 12/91-ED gives maj. present. to Fut. Plang. Com./ 1/92-Chair, F.P. rpt. to Ex. Com. & Bd.
Resolution of Problem	3/92-ED tells Exec. Com. that accred. material submitted/ 4/92-Pres. tells Bd. process done.	5/92-Fut. Plan. C. authorizes ED to pursue fin. issues re program before further action.	1/92-ED to keep Board informed of developmts.

At the Society, more than at the other sites, decision making tended to be a rather smooth process even when the topic under consideration might seem to be fairly complex and potentially controversial. Hickson et al (1986) refer to this style as the "tractable-fluid mode," in which "the matter proceeds steadily in the normal manner without any notable delays to a decision" (p. 181). The main difference from the general characteristics of this approach to decision making evident at the Society was in the element of time. Ordinarily, such decisions can be reached in a few months, but for this agency, no serious matter is resolved quickly. Therefore, while the sequence of events presented in Table 16 is chronologically accurate, the placement of activities in the categories Contextual Press and Initiating Act was somewhat arbitrary for the two major issues under consideration.

Hickson et al (1986) point out that a tractable decision may also be rare or novel for an organization, in the sense that nothing exactly like this has happened before in this setting. Because there are no precedents, it does not come up against entrenched positions, so politicality is not a real factor. The questions of accreditation and the introduction of a new staff development program for direct care workers were both novel for the Society. Yet, as one might expect based on previous information about this site, before the

CEO brought either to the attention of the volunteers for action, he had spent considerable time mulling over their merits. This was clear from the executive's response to a member of the Future Planning Committee who asked why the organization had never sought accreditation before: "I wanted to be coming from a position of strength, and now we are. Also I feel the present configuration of the accrediting body has more prestige and is more comprehensive." Approvingly, the Board President then noted: "As we all know, [our executive] proceeds slowly and carefully [in considering any large undertaking]."

By the time my observation period started, the decision to pursue accreditation had already been made, but the question of how was still to be resolved. During the summer of 1991, the Board had been asked to complete profiles and in October, they were requested to fill out a questionnaire about various dimensions of the organization. Even though this was the first such external review for the agency, the possibility had been anticipated by assigning the responsibility for issues related to accreditation to the Future Planning Committee. Thus, at the committee meeting in February 1992, the CEO came prepared with a suggested breakdown of the thirteen different sections of the material that had been prepared by staff and would be submitted to the accrediting group; assignments were made to individuals on the

basis of their past work and/or volunteer experience. The plan was to have each person review her section(s) and report back to the committee. It was also decided that one person should review the full document at the end for continuity in style, etc., and for that the volunteers and the CEO chose an Associate Member, who was a past Board President.

At the March meeting of the Future Planning Committee, the members presented their respective sections, noting any changes and questions. One section, on the Agency and the Community, sparked a lively discussion regarding the possibility of a public education role for the Society within the broader community. While the CEO replied that this had not been the organization's traditional role, he felt the topic could be taken up at a later date, and he noted that "the accreditation process may well engender ideas for the future." Here we see that "a tractable decision may also be a precursive one, setting parameters within which decisions yet to come must fall" (Hickson et al, 1986, p. 181). The executive agreed to make the necessary adjustments in the material, and the committee agreed to recommend acceptance of the report by the full Board. True to form, the matter passed through the Executive Committee and then on to the Board. In April, the Board President announced that the process had been completed and the report submitted. While

there was no official word from the accrediting body by the time my observation period ended, no one doubted that the outcome would be positive.

Although the second issue, the introduction of the training program for direct care staff, was more narrow in the sense that it dealt just with personnel, in many ways it was more complex and more political than the question of accreditation since at its core, the program challenged the hierarchical nature of the current staff structure at the Society. Conceptually, the program is based on the European generalist model, in which the direct care practitioner becomes "empowered" to be a much more significant part of the treatment team. In the United States, in contrast, there is a lack of suitable training and preparation for such workers, with the result that most of them come to their jobs with no credentials or preparation and must learn everything through experience. As might be expected, there is considerable turnover, and even worse, a pattern of "ineffectiveness, institutional abuse and substandard quality care" (from problem statement provided by CEO to Future Planning Committee). The proposed solution is to establish a baccalaureate program with a specially developed curriculum.

Since the early part of 1990, the Society's CEO had been engaged in studying this new model as a member of a coalition of professionals. While he had made progress reports to the Board at various intervals, it was not until October 1991 that he came to the Executive Committee with a request for modest financial support for the coalition's efforts, a \$100 membership fee, which the Board subsequently approved. He reported that a local college was now seriously considering the adoption of the curriculum within its sociology program. At the December meeting of the Future Planning Committee, one of its members, who heads the social work program at another local college, provided a detailed report on the program, which included an articulation of the key issues involved in embracing this model, namely, finances and "turf" questions. At present, there is a narrow definition of staff roles within treatment teams, and the educating of direct care workers would mean reevaluating these roles as well as upgrading the position.

At the February 1992 meeting of the Future Planning Committee, the executive gave an update on the proposed program, which by this time had been set to begin the following September with a small enrollment at the one school, using the Danish approach. In fact, a Danish professor would be coming over to teach the courses and train the American professors. The CEO elaborated on the issues raised by the

committee member in the earlier meeting: reviewing of staff roles and responsibilities, the financial ramifications and simply the difficulty in transferring skills to unskilled workers. The next step would be to identify training sites for the students by the spring of 1993. From my observations and conversations with the executive, I was aware that he was struggling with the possible consequences of this effort, knowing what it would entail to bring his senior clinical people to the point of accepting the changes in the staff structure and dealing with the cost of increased salaries for direct care practitioners but at the same time, believing philosophically in the merits of the program. He indicated that the Board would ultimately have to grapple with these matters, although he did not advise taking any specific action until there were further developments.

In May, the CEO gave an elaborate presentation on the program to the Future Planning Committee. The central question had become the degree of the agency's financial commitment at this point, that is, whether it should go beyond the membership fee level. A concern was the legality of using contributions to the agency to support its involvement in the program as opposed to putting the money toward the basic mission of the organization. Another concrete issue was whether to develop field placements at the Society. In the end, the committee decided to move forward on a limited

basis by authorizing the executive to pursue all related financial considerations with an eye to greater participation at least on the fiscal level. This conclusion was duly reported to the Executive Committee and then to the Board.

Finally, we turn to the idea of a possible merger with another child care agency in the area. While this issue never got beyond the first stages of discussion, I predict it will be a major topic within the next two years, and by tracing its evolution, we can see the distinct pattern of decision making at this site. By way of background, the Society is part of a four-agency local coalition; all of the agencies have like services and thus the executives can share strategies and consider cost-saving approaches to their mutual endeavors, such as consolidating intake procedures. In October 1991, at the Executive Committee meeting, the CEO included under new business the fact that he had been approached by his counterpart at one of the other agencies in the coalition about a possible merger. While he did not anticipate anything happening for two to three years, he felt there should be some thought given to the pros and cons of merger. Even though he raised some provocative points, there was no push from the volunteers to further action. In December the CEO gave an exhaustive presentation to the Future Planning Committee about this matter, again emphasizing his belief that nothing was about

to happen for some time. Taking their cue from the executive, the committee members seemed to look at the issue more or less in the abstract--a fascinating subject but not of immediate concern. My sense is the matter will remain at that level until the CEO has good reason to think the other agency is serious about merger and also is clear about what would be in the Society's best interests; I would expect periodic progress reports to the Future Planning Committee.

Concluding Remarks

In addition to the issues discussed above, the Future Planning Committee also took up two procedural matters, the role of the Treasurer and the composition and manner of operation of the Nominating Committee. The same slow, methodical style characterized these discussions. Generally speaking, the leadership core at the Society is comfortable about the agency and about its own effectiveness in governance. However, at times, both halves of the team seem to find the decision-making process a bit cumbersome, and both attribute to the other some of the responsibility for the cautious approach that has developed. From the CEO's standpoint, Board members are reluctant to air their differences publicly so committees are used as a mechanism to reach consensus. Yet, according to at least one Board member, because the executive is very deliberate and patient, his style tends to influence discussion.

At the same time, the CEO and the Board celebrate each other. The executive acknowledges that due to the commitment of the Board through the committees, he is able to concentrate on outside matters, such as dealing with the regulatory groups, and without them, he would undoubtedly need to change the administrative structure of the agency. From the Board's perspective, the CEO is a master of his craft, with outstanding people and money management skills and an ability to see the "big" picture. Overall, one Board member summed up the general feeling about the organization:

I think the tradition of the "all female" Board may be a factor. The "pure single" gender may influence how this Board operates. Long term but useful participation on the part of the Board members, but not so long as to dominate--"stability without stagnation."

CHAPTER SEVEN: COALITION AGAINST CHILD ABUSE

The Internal Context

The smallest and newest of the four study sites, the Coalition against Child Abuse (the "Coalition") was founded in 1974 by a voluntary group of social workers who had a concern about the issue of child abuse and neglect and the lack of adequate services to deal with the problem. The original purpose of the agency was "to disseminate information regarding the laws made to protect children from maltreatment." Since its incorporation in 1975, the Coalition "has developed many programs to meet the needs of its original mandate and to address the community's needs for preventive and educational services" (quotes from an enclosure in the Board Book).

Located in the same geographical area as the Society, the Coalition has for close to three years occupied space in South Riverside in a "temporary move" from Riverside proper, the location required by its charter, a move necessitated by a sharp increase in rent that would have placed too great a strain on the budget. The organization estimates that it serves about 5,000 individuals annually throughout the county, both one-on-one and in groups. To this day, the Coalition is the only agency in the county whose sole purpose is the prevention of child abuse and neglect. Services

provided include community education, a self-help group for parents, a Family Visitor program (to parents who are now or at high risk of becoming abusive and/or neglectful), a parenting program for first-time teenage mothers, support groups for adults who were abused as children, a program of rap sessions for troubled teenagers, a court-ordered supervised visitation program for children who have been removed from home due to family conflict, and a personal safety program that involves presentations on sexual abuse to children and adults. In addition, the Coalition facilitates meetings between families and local service providers to develop a coordinated service plan, and has also been participating in a pilot project for developmentally delayed parents who are "at risk" of maltreatment.

Despite the Board and staff's general concern over finances, which served as the *leitmotif* for all discussions during the observation period, the agency ended 1991 with a surplus of over \$17,000 and had projected a balanced budget of approximately \$242,000 for 1992. Yet, it is not surprising that fiscal anxiety existed since the United Way is the Coalition's main source of support, and the local chapter was experiencing reduced contributions as the negative reaction to the revelations at the national body. For 1991, the United Way allocation accounted for 35% of the agency's total revenue, but a cut in the allocation of about 16% was

implemented for 1992, with a further reduction of 15% expected for 1993. By January 1992, the Coalition's CEO informed the Executive Committee that the agency secretary had been laid off and two rooms given up, although the landlord was allowing continued use of this space rent-free.

The agency's other main income streams for 1992 were grants --from the Youth Bureau (18%); the State, for the pilot project noted above (17%); the County Department of Social Services (10%); and the Community Development Agency (5%). After factoring in the United Way at 31% of the budget, the balance was made up of restricted and unrestricted contributions, monies from special events, program income and membership support. Given the prevailing grass-roots nature of the organization, there are no reserves of any consequence.

The Leadership Core

Seventy-five per cent of the Coalition's 24-member Board are females, which perhaps is a reflection of the agency's programmatic focus on so-called women's issues as well as its continued heavy reliance on trustees representing the human services, a field dominated by women. As depicted in Table 17, nonprofit managers account for 21%, and direct service workers, for another 28%. Moreover, the one homemaker was formerly employed at a social agency, one of the two attorneys works for the County Social Services

Table 17
Board Profile -- The Coalition

N = 24

Gender		Ethnicity		Age		Occupation	
#	%	#	%	#	%	#	%
M = 6	25	Caucas. = 20	83	21-30	2 8	Homemaker	= 1 4
F = 18	75	Afr.Am. = 3	13	31-40	5 21	Mgr.(business)	= 3 13
		As. Am. = 1	4	41-50	11 46	Mgr.(gov.)	= 1 4
				51-60	4 17	Mgr.(n-p)	= 5 21
				60+	2 8	Mun. empl.	= 1 4
						<u>Professional</u>	
						Attendance officer	= 1 4
						Attorney	= 2 8
						Direct care worker	= 1 4
						Educator	= 1 4
						Fin. advisor	= 2 8
						Nurse	= 2 8
						Rec. worker	= 1 4
						Social worker	= 2 8
						Self-employed	= 1 4

*Does not equal 100% due to rounding with small n.

Note: The profile describes the Coalition Board as of October 1991.

Department and the individual who identified herself as a government employee is senior-level staff in the same department. This latter group, all females, constitutes 12% of the Board, which puts the total representation from the human services at 61%. The nine remaining Board members are drawn from local businesses and from the professional ranks. Twenty (83%) are white; there are three African Americans and one Asian American on the Board. In terms of age, there is a fairly broad distribution. The largest concentration is in the 41-50 age group (n=11, 46%), but unlike the other

three study sites, the numbers in the 40 and under and in the 51 and over categories are almost equal.

Although there is no representation from client groups, when the Board members were requested through the questionnaire to identify their reasons for agreeing to be trustees, two indicated that they had personal experience with the issues. Nine checked "We perform a useful service" as their primary reason, and three noted that they had participated in the agency's programs as volunteers. One said forthrightly that she was on the Board because she "was asked." Most of the other answers dealt with the opportunity to make personal or professional contacts. In the aggregate, sixty-eight per cent of the responses were related to service, and thirty-two per cent reflected personal needs and interests.

The current Board Chair, whose position is also referred to as "President" in the By-laws and in other agency documents, is a white female in the 41-50 age group. She is on the faculty of a local private college, as head of the Department of Education. Since joining the Board approximately five years ago, she has served as chair of the Program Committee and is in her third one-year term as Chair, despite the provision in the By-laws mandating no more than two consecutive terms. She was clear about her strong personal interest in the issues of child abuse and neglect:

"I am, and have been, involved in the area that the agency serves, for many years."

The CEO, a white female in her 40's, has been the Coalition's top professional for about seven years, but this is not her first association with the agency. She initially joined the organization as a volunteer, became a staff member and then left to obtain her M.S.W. degree. In addition to her primary job, the executive teaches in the social work program at a nearby college. Personally, 1992 was a difficult year for the CEO, with the deaths of both her mother and grandmother occurring in a relatively short period. Since the agency was also going through major changes that required enormous amounts of energy from the executive, I was not surprised that she described herself as "burned out" when I interviewed her in late April.

Organizational Rules, Norms and Practices

In management style, the Coalition continues to operate very simply--a small staff, plain offices, minimal use of computers--even after nearly twenty years of providing programs and services to the community. With respect to the organizational life cycle, the agency evidences the characteristics noted by Wood (1989) for groups in the early stages of development, with an Owner/Executive Director in place: "board members soon come to feel that the executive director

can take care of things, and in the community there is recognition of the executive as the principal--and often the sole--spokesperson for the agency" (p. 7). Further, Wood notes that at this stage the board often feels no need to maintain a traditional oversight role and is generally comfortable leaving most of the decisions to the CEO, which "apart from occasional moments of ambivalence, is the situation most Owner-EDs prefer" (p. 7). This last statement is particularly telling with regard to the Coalition.

As Clifton and Dahms (1980) note, "a program or agency director can influence the people, the work structure, and the systems and rules of his or her organization" (p. 153), and based on my observations and discussions with key individuals within this system, I believe these same authors' description of the cultural environment of a power-oriented agency is apt here:

Agencies in this category look inward to a hub--the central power source. Power is held either by a select number of key individuals or by one person; therefore, the organization's success or failure is determined by the central power source. The typical director of a power-oriented agency is action-oriented and politically minded. (p. 154)

More so than at the other three study sites, the Coalition's CEO carried the full weight of the leadership burden, and although some Board members recognized it was not a healthy situation for the organization to rely so disproportionately on her, there seemed to be little impetus for real change.

As we will see in the last section of the chapter, the one trustee who attempted to bring this issue out into the open saw herself as "having fallen into the role of 'nay-sayer'" and ultimately resigned from the Board when she realized many of her colleagues did not view the matter as she did.

When the Board members were asked on the questionnaire the meaning of the term *working board*, there was a lack of unanimity on the definition. Even though eight of the ten Board members who responded to this item (80%) provided a very concrete definition, the answers were evenly divided between identifying specific tasks and offering a more general picture. For example, a respondent in the first group saw a working board as "one which is actively involved in setting goals, fund-raising, [and] assists the staff in achieving program goals without interfering in the staff role." A second individual not only spoke of the importance of the board's setting policy and being involved in fund raising but also felt it must engage in "a systematic review of operations" and have "full knowledge of operations (through committee reports)." Significantly, three of the four respondents in the "concrete-specific" group believed their definitions did not apply to the Coalition, and the fourth was unsure of the applicability.

Of the four people whose answers were more general in tone, the common element was that board members should play an active role in the life of the organization. However, in their use of such phrases as "undertakes various tasks" and "performs a service," it was not clear what that role should be. Two of these individuals felt their definitions were applicable to the Coalition's Board, and one was unsure. The fourth respondent, who defined a working board as "one that steps forward to accept board related tasks and completes them" did not feel this applied to the Coalition.

The remaining two respondents offered definitions that were more abstract and theoretical. Both stressed teamwork--working together to accomplish a common goal. While one agreed that his definition applied to the agency, the other indicated he was undecided because as a new Board member, it was "too early to tell." Overall, on the question of whether their definition fit their own situation, 30% said the Coalition has a working board, 40% disagreed and 30% were not sure.

A possible explanation for the wide divergence among the trustees on the level of involvement of the Coalition Board members lies in the provision within the agency's By-laws to appoint to the Board "representatives selected from community agencies." As mentioned earlier, the majority of the

Board members are in fact employed by various social service agencies in the area. I observed over the course of the year that several of these individuals seldom attended meetings, and even among those who could be classified as active members, there was clearly some ambivalence about their proper role on the Board.

Widmer (1992) uses role theory to explain these kinds of ambiguities and conflicts, noting that "the role expected may not be the role perceived, and neither may be the role enacted" (p. 2). When a Board member is carrying out such conventionally prescribed tasks as long-range planning, oversight of the agency's programs and setting policy, he or she is playing the "trustee role," but that is frequently not the only role that individual fulfills. Another familiar role is that of *representative*, where the individual is supposed to "speak for or carry information to and from" others. "Organizational representatives represent, formally or informally, another organization to which they belong" (p. 5). When one has multiple loyalties, the problem is knowing which "hat" to wear at any given time.

According to Widmer (1992), boundary spanners are particularly vulnerable to this kind of conflict, and that seemed to be the case for two of the Board members I interviewed. One is senior-level staff at a county agency that funds the

Coalition. Technically, she serves on the Board as a representative of a local networking group of social workers; this position just adds to the potential for inner conflict. During our discussion, she admitted frankly that she is not fulfilling the role of a Board member but isn't willing to do more ("I have other priorities"). Her "priorities" seemed to be job-related, and she indicated that she has stayed on the Board primarily because of the close connection between her work and the agency's mission. When I asked her what was least satisfying about being on the Board, she said: "Guilt over [the low] salaries and not being more involved in fund raising."

The second person is CEO of a nearby social agency for which the Coalition provides some staff training. It was one of her own staff members--then a Coalition Board member--who suggested that she join the Board: "It seemed a logical step in light of similarities in the two agencies' mission." In our interview, she acknowledged some difficulty in performing the role of trustee rather than executive director and cited "time constraints" as the source of any dissatisfaction over her involvement at the Coalition.

While these two trustees were aware of their role conflicts, of greater concern to me were the Board members who appeared to have little allegiance to the agency even though they

professed commitment to its mission. Given the role ambiguity within this Board, one might expect there would also be confusion over the respective roles and responsibilities of the Board and the executive. As shown in Table 18, which considers the matter of the separation of powers in a non-profit organization, this was no more typical of the Coalition than the other three study sites. Via the questionnaire, Board members were asked for their opinions on a series of statements having to do with operations and policy. The respondents were fully in agreement with both Items #1 and #5--the first having to do with teamwork between the board and executive and the second, with the personnel-related responsibilities of the top professional. On the question of whether the board alone should set policy, only three respondents (25%) supported this idea; the majority disagreed.

Opinions were more widely spread on the remaining two items. For Item #3, three (25%) strongly agreed and four (33%) agreed that the board should not get involved in day-to-day operations. Yet an equal number (4, or 33%) believed this statement was incorrect, and one person (8%) strongly disagreed. Finally, as to whether the board president serves as the executive's "boss," one agreed and four strongly agreed with the statement while four respondents disagreed

Table 18
Board Opinions on Separation of Powers: The Coalition
N = 12

<u>Statement</u>	Rating							
	SA		A		D		SD	
	#	%	#	%	#	%	#	%
The board and executive should function as a team.	10	83	2	17	0	--	0	--
The board alone should set policy.	2	17	1	8	8	67	1	8
The board should not get involved in agency day-to-day operations.*	3	25	4	33	4	33	1	8
The board president serves as the executive's "boss."*	4	33	1	8	4	33	3	25
Hiring, firing and discipline are the executive's responsibilities.	5	42	6	50	0	--	1	8

*Percentages do not equal 100 due to rounding with small n.

Notes: 1) Codes: SA = strongly agree, A = agree, D = disagree, SD = strongly disagree.

2) Source: Board Questionnaire

and three strongly disagreed with it. In the aggregate then for these two items, seven were in agreement and five disagreed with #3, and five agreed and seven were in disagreement with #4.

My interpretation of these responses is that because so many of the Board members are human service professionals who

might be expected to be familiar with the literature on the roles and responsibilities of the leadership core, they answered "by the book" for Items 1, 2 and 5, but their ambivalence about their own situation was manifested in the lack of unanimity on the remaining two items, which more directly address the issue of accountability. This ambivalence was not confined to the trustees, for my conversations with the CEO revealed a similar uncertainty. Initially, I had the sense the executive viewed the Board almost as a "necessary evil," but when I interviewed her at length, she expressed respect for the power the Board might exercise should it choose to. An incident that occurred during her first year on the job had made a lasting impression. The Coalition had agreed to participate in a multi-agency program, but when things went wrong, one of her Board members, who was involved in "the negative activities," placed blame on the CEO by disputing her version of the events. According to the executive, this affected her relations not only with the rest of the Board but also with the Department of Social Services, and it took two years to fully resolve the matter.

As a result, she now informs the Executive Committee of any problematic situation very early so there will be no possibility of a misunderstanding and she will not be "out there" all alone. While the CEO acknowledged this outcome of her

early experience with the Board, she seemed unaware that her fear of causing the trustees to doubt her had led to the adoption of a specific control mechanism: "packing" the agenda, out of an inability or unwillingness to distinguish between policy-related and purely operational questions. Thus, she often raised issues at Executive Committee meetings, and even at Board meetings, that she rightfully could have handled alone, which often limited the time available for more appropriate discussion. While some trustees appeared to be oblivious to this regular occurrence, others emerged from meetings frustrated and annoyed. It was not unusual to see small knots of people gathered outside the meeting site to air their negative feelings. However, no one ever took the initiative to let the CEO know how disturbing this practice was.

Perhaps because the Coalition's CEO held such a dominant position in all aspects of organizational life, her one-to-one relationships with certain trustees were more noticeable than similar interactions at the other sites. That is, even though I knew after a while that the Network, Center and Society executives had different ways of relating to particular members of their respective Boards, the connection with the Board as a whole was a much more important element in an overall understanding of the governance process. At the Coalition, on the other hand, it would be virtually impos-

sible to capture the leadership situation without examining the most significant of these personal variations, and therefore at appropriate points, individual relationships will be described.

As noted above, only one Board member seemed sufficiently troubled by the manner in which decisions were made to speak out publicly at meetings about her concerns. D. had been on the Board for seven years and was currently an officer. In volunteering to be interviewed, she expressed a desire to discuss the role into which she felt she had been thrust; playing the part of nay-sayer, she believed, was making it increasingly difficult "to perform as a productive board member." In addition, D. found herself making unfavorable comparisons between the Coalition Board and the Society Board, with which she was very familiar as director of social services for the other agency.¹

A vivid example of the personal and professional difficulties in D.'s "boundary-spanner" position was presented at the January Executive Committee meeting. The discussion turned to a special weekend program for incest survivors that the agency was planning to hold. D. had several concerns about the weekend, including the fact that the Board

¹ One other Coalition trustee was also a Board member at the Society.

had not been given any detailed information on the logistics prior to making the decision to sponsor the event, which she had set forth in a letter to the Board Chair two weeks earlier. To her embarrassment, however, the letter had not been shared with the CEO, as she had expected, and she was forced to bring up the things that were troubling her on the spot, with only tepid support from the Chair. Although the points she raised were valid, and ultimately the weekend was cancelled, D. was uncomfortable with having to confront the executive in a public forum. Moreover, the gracious manner in which the CEO received the criticisms made D. seem almost petty even though she had every right to voice her objections to the event as well as to the lack of due process in the decision making. The fact that her Board colleagues failed to back her up until it became evident to everyone that the weekend could not go forward was indicative of their lack of understanding of the trustee role.

Another perspective on the Coalition Board members' awareness of their governance responsibilities is provided in Table 19. Question #8 of the Board Questionnaire asked the respondents to determine, in each of four key management areas--annual goals, annual operating budget, long-term goals and operational effectiveness--which part of the leadership core has primary, contributing or no responsibil-

Table 19

Board Perceptions of Governance Responsibilities: The Coalition

Area by Function and Locus		Level of Accountability					
	Total # Respons.	#	%	#	%	#	%
<u>Annual Goals: Board</u>							
Plan	10	P(6)	60	C(3)	30	-(1)	10
Approve	10	P(9)	90	C(0)	--	-(1)	10
Implement*	8	P(1)	13	C(3)	38	-(4)	50
Review	9	P(5)	56	C(4)	44	-(0)	--
<u>Annual Goals: Executive</u>							
Plan	9	P(5)	56	C(4)	44	-(0)	--
Approve	6	P(0)	--	C(5)	83	-(1)	17
Implement	10	P(8)	80	C(2)	20	-(0)	--
Review*	8	P(3)	38	C(5)	63	-(0)	--
<u>Oper. Budget: Board</u>							
Plan*	9	P(3)	33	C(4)	44	-(2)	22
Approve	10	P(10)	100	C(0)	--	-(0)	--
Implement	6	P(0)	--	C(3)	50	-(3)	50
Review	9	P(6)	67	C(2)	22	-(1)	11
<u>Oper. Budget: Executive</u>							
Plan	9	P(8)	89	C(1)	11	-(0)	--
Approve	6	P(0)	--	C(4)	67	-(2)	33
Implement	10	P(9)	90	C(1)	10	-(0)	--
Review*	8	P(3)	38	C(5)	63	-(0)	--

*Percentages do not equal 100 due to rounding with small n.

- Notes: 1) Codes: P=Primary responsibility, C=Contributing responsibility, --=No responsibility
- 2) Source: (responses) Board Questionnaire
(format of question) Center for Management Systems, 1985
- 3) Since some respondents chose not to answer part or all of this question, figures do not equal the total number of questionnaires returned (12), varying from a high of 10 to a low of 6.

Table 19, continued

Board Perceptions of Governance Responsibilities: The Coalition

Area by Function and Locus	Total # Respons.	#	%	Level of Accountability			
				#	%	#	%
<u>Long-Term Goals: Board</u>							
Plan	10	P(6)	60	C(4)	40	-(0)	--
Approve	10	P(9)	90	C(1)	10	-(0)	--
Implement*	7	P(3)	43	C(2)	29	-(2)	29
Review	9	P(6)	67	C(2)	22	-(1)	11
<u>Long-Term Goals: Executive</u>							
Plan	10	P(6)	60	C(4)	40	-(0)	--
Approve	6	P(1)	17	C(3)	50	-(2)	33
Implement	10	P(8)	80	C(2)	20	-(0)	--
Review*	8	P(3)	38	C(5)	63	-(0)	--
<u>Oper. Effect.: Board</u>							
Plan	9	P(3)	33	C(6)	67	-(0)	--
Approve	9	P(7)	78	C(1)	11	-(1)	11
Implement*	8	P(1)	13	C(3)	38	-(4)	50
Review	10	P(5)	50	C(5)	50	-(0)	--
<u>Oper. Effect.: Executive</u>							
Plan	9	P(9)	100	C(0)	--	-(0)	--
Approve	9	P(3)	33	C(5)	56	-(1)	11
Implement	10	P(9)	90	C(1)	10	-(0)	--
Review	10	P(6)	60	C(4)	40	-(0)	--

*Percentages do not equal 100 due to rounding with small n.

- Notes: 1) Codes: P=Primary responsibility, C=Contributing responsibility, --=No responsibility
- 2) Source: (responses) Board Questionnaire
(format of question) Center for Management Systems, 1985
- 3) Since some respondents chose not to answer part or all of this question, figures do not equal the total number of questionnaires returned (12), varying from a high of 10 to a low of 6.

ity for the planning, approval, implementation and review of the areas. The intent of the question was to explore the degree to which teamwork is practiced, and at what level of consistency, in relation to specific tasks.

At this site, the answers show considerable uniformity regarding the division of labor between the Board and the CEO: the Board plays the primary role in the approval process and for review (except in the area of Operational Effectiveness, where it is shared with the executive) while the CEO carries the principal responsibility for implementation in all areas but Long-Term Goals, where it is shared with the Board, and for the planning of operational matters, with the Board sharing the top responsibility for goal setting. And the CEO has a strong contributing role in the approval and review functions in the areas of Annual Goals, Operational Budget and Long-Term Goals. On the matter of implementation, the results are quite revealing of the Board's collective mind set. In similar fashion to the Network, which subscribes to the Corporate Model, a significant number of trustees indicated that they had no responsibility for this function; 50% of the respondents said they were not involved in the implementation of three of the four areas (Long-Term Goals was the exception). At the other two study sites, the Boards played a strong contributing role in all areas regarding implementation.

As noted in the Board and Administrator Seminar (Center for Management Systems, 1985), "in any team effort, each part of the team has assigned responsibility areas. On the best teams, the players know their own assignments and allow each other to carry out assignments without interference." While there may be disagreement over the most effective division of responsibility, the fundamental issue is for each agency to find the way that works best in its particular environment. At the Coalition, given what has been noted previously about the Board's laissez-faire tendencies, it might have been expected that with functions such as approving and reviewing, generally the purview of a board, the CEO would play a more substantive role than at the other study sites, but the responses do not support that assumption. As with Table 18, the trustees demonstrated their awareness of accepted practices, even though my observations of their actual behavior, such as in the incident with D. noted above, led to the unavoidable conclusion that there is a fairly big gap between reality and their perceptions of how they operate.

Values, Beliefs and Assumptions

As part of a larger research project on community agencies, Fink (1989) conducted a five-year, descriptive study of board structure, roles and behavior. One of his more interesting findings addressed changes over time in motives for

board participation in these grass-roots organizations. With the move toward a more middle-class profile, the board members were less concerned about "neighborhood politics, the chance for a new form of enfranchisement of the poor or empowerment for individuals, and job opportunities" and more concerned about "the fulfillment of a sense of civic duty, the desire to be involved in a community service activity with which the individual identified personally, and the personal rewards of sociability through participation" (p. 96). Furthermore, Fink noted that trustees' impressions of the quality and importance of agency programs were a significant factor in promoting board involvement.

For the Coalition Board, an emphasis on program was certainly one of the common bonds. However, it also became clear through interviews with several key decision makers that this emphasis was as much an organizational weakness as a strength. One of the interviewees rated the Board's current performance as somewhat ineffective based on her view that fund raising was a primary responsibility of any board, and this group (including herself) was negligent in that regard:

Most people care about the mission but don't have the time or interest to volunteer. There is no status for being on the Board and it doesn't advance [one's] career. Some responsibilities of the Executive Director, such as fund raising, are a holdover from earlier days when there were fewer programs, and this was a way to justify paying a full-time salary. Too much is placed on the Executive Director, but this is unlikely to change with the present Board because there is no motivation for most to get more involved. If a Board

member came in with a great fund-raising plan and carried it out, that person would run the show.

Fund raising was cited as an important board responsibility by a second individual, who also stressed the policy-making role ("policies generated through the administration and ground through the board"), staying out of day-to-day operations, retaining a high-caliber staff and budgetary oversight. Using these criteria, she rated her own Board as very ineffective:

This is an uninvolved Board. The administration does everything. It's hard to recruit Board members. [We're] too homogeneous. Those who are on are spread very thin; they're played out on the issues. I would recommend a reorganization toward a broader base of power, with the hope the new people will energize the agency.

Yet a third interviewee, a very recent addition to the trustee ranks, saw the Board as somewhat ineffective because of its failure to address basic administrative areas, such as setting policy, giving direction and monitoring progress, and participating on committees. He indicated a deep concern about the Board's lack of involvement: "There is no follow-up on issues; we acknowledge issues, but there is no resolution." As an example of what he felt was wrong with the organization, he described the process of his own "recruitment." Having read about the agency's work, he contacted the CEO to express his interest in volunteering. After some discussion, she invited him to join the Board, without any referral to a Board committee or any direct role

being played by a trustee! The good news for the Coalition is that this new Board member is committed to making the agency stronger, despite his mixed feelings about the leadership.

On the other hand, two of those interviewed rated the Board's performance as somewhat effective. Identifying the main responsibility of such a group as "to be able to provide for, give to, and complete tasks to help the agency on a consistent basis," one praised her colleagues for the kind and frequency of their participation while acknowledging that "not all were doing the job and some were perhaps overcommitted to other things," which prompted the thought that an advisory group might be started for people unable to attend meetings regularly. The other summed up her expectations of a board with the word *active*, meaning participation according to one's talents and being on top of how the organization runs. In spite of her generally positive view of the Board, she did see some problems related to the policy of bringing on representatives from various nonprofits:

I feel we need new blood. A couple of years ago, we began asking nonprofits to send representatives. This has been a mixed bag. We are not necessarily getting the continuity. We should be looking for diversified talent. Perhaps we should enforce the attendance requirement and look at individuals and why they can't attend, [although] there are political reasons for keeping some on the Board.

We should give people more to do--look at committees and their roles and do more work at the committee level. When the Executive Director's competency is high, it may affect [Board] involvement.

From the CEO's perspective, the performance of her Board is very ineffective with regard to fund raising, which is in general accord with the assessment of two of the trustees, but very effective when it comes to accessibility and commitment to the agency's mission. She also noted their willingness to provide guidance on the implementation of policy and to help out in some technical areas. On the fund-raising question, the executive stated:

The leadership is more interested and comfortable with programs than fund raising. Historically, fund raising used to be all Board-supported. In the past, the Board raised considerable dollars through bake sales, etc. These were small amounts, but with other funding, the agency ran surpluses of \$20,000 a year. The Board got complacent and stopped, [and so] missed opportunities to firm up agency finances.

Although she now felt the Board should be responsible for major gifts, in its defense, she pointed out, as had some of the trustees, that Board members were overextended and therefore unable to give sufficient time to this effort.

Before turning our attention to the other half of the leadership team, the CEO, it is important to comment once again on the gap between perception and reality regarding Board performance. One of the trustees thought that the way to get people more involved was to ask them to do more, but in

two separate cases, I observed Board members offering to provide specific services to the organization and receiving very little enthusiasm from the executive in response. In fact, there seemed to be almost a reluctance to use these talents. Another mixed message was conveyed through the loose recruitment process described earlier. On a different occasion, a new trustee was recommended by the Board Chair. This individual attended one meeting, but by the next session, he had already resigned. To my surprise, almost nothing was made of this development other than a brief announcement. What value should the Coalition Board member then place on his or her involvement when comings and goings are so casually treated?

Now, to a consideration of the executive's performance. Table 20 presents the Board's views on the most desirable characteristics of a top administrator, and it is obvious that a high premium is placed on concrete, technical abilities and professional qualifications. When asked to identify the three most important qualities of a good executive, 8 of the 12 respondents (73%) included both general management skills and communication skills on their list. The next most frequently mentioned items were: knowledge of client problems (n=7, 64%), knowledge of community (n=4, 36%) and educational background (n=3, 27%). Taking into account the

Table 20
Board Perceptions of Characteristics
of a Good Executive: The Coalition

Characteristic	Frequency	% of Total Responses
General management skills	8	73
Communication skills	8	73
Knowledge of client problems	7	64
Knowledge of community	4	36
Educational background	3	27
Fund-raising skills	2	18
Leadership	1	9
Prior experience	1	9

Source: Board Questionnaire

Note: 11 of the 12 respondents answered this question.

origins of the agency and the focus on program, these priorities seem to be reasonable.

The relationship between the Coalition Board and CEO was reminiscent of the interactions within the leadership core at the Center. In both cases, there was a great deal of tolerance for behavior and practices by the executive that would have been unacceptable in other settings. Certainly, it is hard to imagine either the Network or Society trustees, regardless of their respect for their own top professionals, allowing the development of the kind of power

imbalance I have noted previously at this study site, and even at the Center there was a much more clearly defined system of checks and balances. Here, once again, Hollander's (1978) idiosyncrasy credit model offers a possible explanation. Because the Coalition CEO is considered an expert in the child abuse field and the programs she has introduced are well respected by most professionals in the area, she has accumulated a large number of credits: "Credits exist only in the shared perceptions which group members gain of the others over time....[and] credits have operational significance in allowing later deviations which would otherwise be viewed negatively" (p. 41).

When the Board members were asked to assess their level of confidence in their CEO at this time, via the questionnaire, eight of the eleven respondents (73%) gave her a high rating and the other three, a medium rating. Based on the idiosyncrasy credit theory, there might be an expectation of a correlation between the evaluations and the length of tenure on the Board, but that was not the case. While the reasons behind each rating, to a large degree, echoed the generic profile of a good executive revealed in Table 20, no other pattern was discernible.

For instance, a trustee who has served on the Board for more than ten years based her high rating on the "growth of

program--creativity of programs--positive community effect, [and the CEO's] ability to work with staff and be respected." On the other hand, a Board member with seven years' service rated the executive's performance as medium because she felt the CEO showed an "inclination to proceed in [a] less than thoughtful manner re: agency direction." A similar contrast in opinions can be found in two of the newer members of the Board. One rated the executive highly for her "knowledge of clients' problems, always [being] open for suggestions, creative and dedicated"; the other gave her a medium rating because she felt "this executive works too independently from the Board" but qualified her judgment by saying it was "not totally her [the CEO's] fault."

The CEO is fortunate in having the staunch support of the Board Chair, R., who began her interview with me by issuing a disclaimer of sorts: "I am very biased in favor of the Executive Director. I admire her skill and dedication." As might be expected, R. gave the executive a high performance rating based on "continued and competent management of programs, projects, staff; excellent fund raising skills; on top of developments in the field; exemplary advocate for children; commitment and dedication." However, in the view of some of her Board colleagues, R.'s personal feelings toward the CEO have frequently blinded her to certain organizational realities. For example, even though R. acknowl-

edges that financial management is a weakness for the executive, she has not given the executive a copy of the annual review in which this lack was identified because of a concern over the CEO's state of mind due to the recent deaths in her family.

Moreover, R. seems to miss the cues from other trustees about their desire to have a stronger role in the governance of the agency, as will be discussed in depth in the last section of this chapter. As part of the interview, I asked each person to describe the agency's response to two typical situations that might occur in a nonprofit. For the first one, which dealt with a financial crisis, R. delineated a CEO-dominated scenario, with the Board simply reviewing the plan at the end and asking questions about specific actions. All of the other trustees interviewed saw the Board having a major responsibility for determining how to address this type of problem, with the executive providing information and support. Tellingly, when the CEO was interviewed, her response on the same item was very close to that of the Board Chair, but in the executive's version, the Board would be asked to take a strategic role in implementing the plan.

One can study board-executive relations on several different levels. After a content analysis of statements made by the respondents to the Board Questionnaire when asked to discuss

the most important aspects in maintaining a sound board-executive relationship, I identified five specific dimensions of this relationship at the Coalition--interpersonal, administrative, technical, structural and procedural.

Operating definitions for these terms are as follows

(Webster's new collegiate dictionary, 1976):

- 1) Interpersonal--being, relating to, or involving relations between persons
- 2) Administrative--of or relating to performance of organizational duties
- 3) Technical--having special and usually practical knowledge
- 4) Structural--of, relating to, or affecting a definite pattern of organization
- 5) Procedural--of or relating to a particular way of accomplishing something or acting

Taking into consideration that most individuals provided multiple answers sometimes fitting the definition of more than one category, eight out of the eleven respondents to this question (73%) gave answers that fell under the *Interpersonal* heading, with six mentioning the importance of communication. Respect and trust were also cited, as in this response: "Respect for individuals both personally and professionally." A second statement by the same person-- "Direct, honest and professional interaction"--illustrates the classificatory difficulty since there are procedural and even structural elements here. One summed it up this way: "Open communication and an open mind."

Next in frequency were responses in the *Structural* category (seven out of eleven or 64%). Board/executive roles and responsibilities figured into these statements: "Clearly defined responsibilities for both=mutual respect" and "Well-defined agency goals as well as defining what is expected of the board" are two good examples. Clarity of purpose and operational awareness were also factors that were stressed. Four of the responses (36%) were considered procedural, as represented by these statements from one trustee: "Investment of time by Board" and "Professional relationships between executive and Board members with shared concern for client population." Another simply said: "Cooperation." Finally, there was one response each (9%) for the remaining two categories, *Administrative* and *Technical*: "Openness regarding operations from executive" (which could also fall under other headings) and "Good knowledge of agency functions by Board," respectively.

As in the other study sites, communication was most frequently mentioned as the key element in maintaining a good board-executive relationship, and it was often prefaced by the word *open*. In practice, however, the flow of information was on most occasions unidirectional, from the CEO to the Board. A Director's Report on operational matters, with some personal items as well, was either sent out with the Board packet prior to each meeting or distributed at the

meeting itself. Although the executive sometimes addressed certain points raised in her report during the course of a meeting and initiated discussion as she saw the need, it was rare for a Board member to question her about any of the points.

Senor (1963) notes that "the more an agency's program requires a highly technical staff for implementation, the more dominant is the executive" (p. 23). At the Coalition, perhaps because so many of the trustees were human service professionals who appreciated the complexities of the work in child abuse prevention and respected the CEO for her preeminence in the field, it was understandable that they would be reluctant to ask for more details or clarity on a given issue, for fear of appearing to dispute their executive's judgment. "In short, the character of an agency whose program requires a highly trained staff for implementation has 'built-in' elements that can permit increased exercise of power by the executive over the board of directors" (Senor, 1963, p. 24).

Dynamics of Decision Making

Since it is generally agreed that power plays a key role in decision making, many social scientists have debated the sources of an individual's power within an organizational system (See Enderud, 1979; French & Raven, 1959; Roberts,

1983; et al). Bolman and Deal (1991) identify what they believe to be the most significant forms of power: position (authority), information and expertise, control of rewards, coercive power, alliances and networks, access to and control of agendas, control of meaning and symbols and personal power. Adopting a political perspective, the authors point out that while these multiple forces can constrain a leader's ability to make decisions if he or she relies solely on authority, "individuals with expertise, strong track records, and high charisma are likely to have a great deal of latitude in making decisions" (p. 198).

Keeping in mind the information already presented on the Coalition CEO's style and approach to management, we will now turn our attention to two critical decisions that occupied much of the leadership core's attention over the course of the observation period, in order to increase our understanding of this agency's governance.

Background

The Coalition Board is required by the organizational By-laws to hold at least ten monthly meetings, with an Executive Committee meeting to take place in any month in which the Board does not meet. In actuality, the Executive Committee tends to meet every month, even during the summer, in addition to the Board meetings held throughout the year

except in August. The Annual Meeting generally occurs in the first quarter of the year. At that time, Board officers and members are elected or renewed, and the annual report for the previous year is distributed; volunteers, trustees and staff are also recognized for their contributions. Between September 1991 and June 1992, I attended all ten Board meetings, one of which, in December, was more of a social occasion, and six Executive Committee meetings, which included a special session called to address the growing concerns about the proper division of responsibility between the Board and the CEO.

Most organizations conduct real business through committees. According to the Coalition's By-laws, there are six standing committees--Finance, Program, Ways and Means, Nominating, Membership and Education--and ad hoc committees may be appointed as needed. In fact, only the Nominating and Membership Committees seemed to be functioning during the observation period, with a reference once or twice to activities of the Finance Committee. However, one ad hoc committee, Planning, did meet regularly, and this was the group most applicable to my study. I attended six of its sessions. Since this committee had been formed prior to the start of my research, I obtained copies of the minutes of the earlier meetings to provide context and continuity for my observations. This proved to be an important step in my

understanding of the agency's decision process, as will become clear later in this section.

During the observation period, attendance at Board meetings was generally poor. On one occasion, it reached 63% (15 out of 24) but for the most part, was at or under 50%. Furthermore, there was little variation in the attendance pattern, that is, the same people were present and the same ones absent virtually all the time. Even for the May meeting, prior to which members of the Executive Committee called the other trustees personally, only thirteen responded. For the June meeting, the announcement carried this phrase: "Unless the plague hits, we expect to see you for this most important meeting"; twelve Board members were present. The attendance problem at Board meetings was compounded by an equally poor showing at Executive Committee meetings.

In the past, there was an orientation for new Board members, but now a packet of information is sent to an individual when nominated for the Board. Presentations on the different services are sometimes given at meetings by staff. When I asked those I interviewed whether some kind of orientation or training might be useful, the responses were illuminating. A longtime trustee said: "People coming on [the Board] already know the programs, but there might be possible benefits in offering information on Board roles and respon-

sibilities." A brand-new member's answer was also qualified: "Yes, if the Board is clear where the agency is heading. If not, it would not be helpful." However, the reaction from the CEO was probably the most honest of all: "If scheduled, the Board wouldn't participate. We need to try to overcome apathy."

Through a survey of nonprofit boards in a sample of Canadian voluntary organizations, Murray, Bradshaw and Wolpin (1992) have identified five patterns of governance based on the distribution of power: the CEO-dominated board, the chair-dominated board, the fragmented power board, the power-sharing board and the powerless board. Although not fitting any of the patterns precisely, the Coalition has qualities of two of these, the CEO-dominated and the powerless. For the former, the board "tends to be more of a figurehead...[and] depends heavily on guidance from the CEO.... The board does not take an active role in the creation of plans or budgets other than to scan them before giving its approval" (p. 167). For the latter, "apathetic and aimless are two adjectives that sum up the climate of such a board. Meetings tend to be poorly organized, poorly attended, and indecisive" (p. 169).

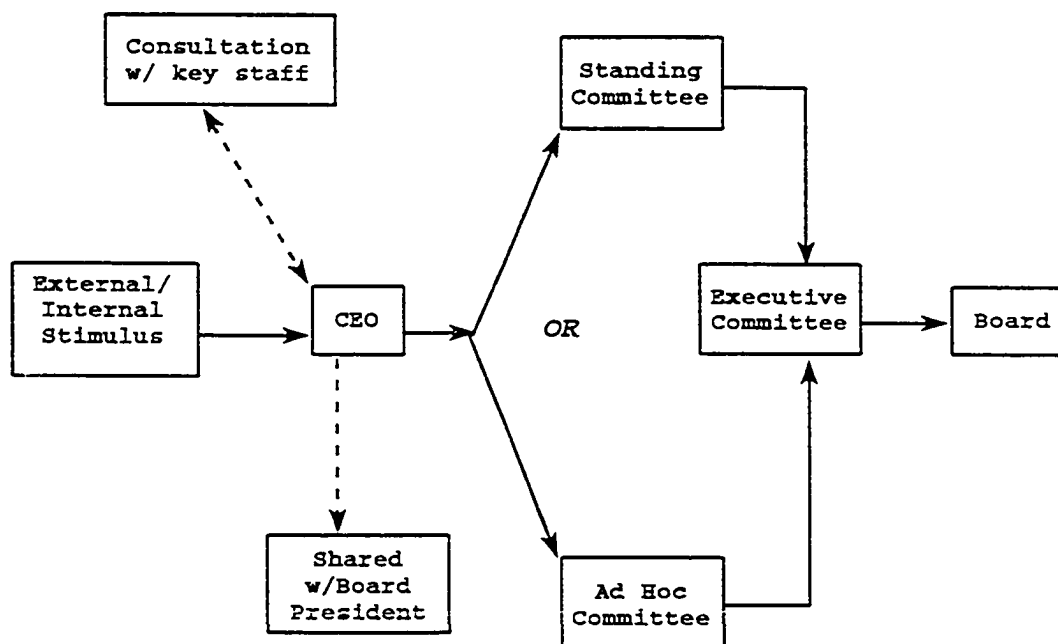
Decision Points

It was not until late in the observation period that people within the organization talked openly of the Coalition CEO's power, even though it was clear to me almost from the beginning that feelings ran high about her obvious influence over the decision process. In investigating the way decisions were made at this agency, the executive herself became a central issue. Driver and Rowe (1979) suggest that "the best decision maker is one whose style or combination of styles best matches situational demands" (p. 157). With an apathetic Board that avoided responsibility, it can be argued this CEO was a perfect fit--a "take-charge" type, who was willing to subordinate her own needs because of her commitment to the organization and its cause.

As we now turn our attention to the specific aspects of the decision process used by the Coalition's leadership core, the importance of drawing on multiple sources of data in a study of this kind must be underlined. Figure 4 presents a generic overview of the different decision-making stages based primarily on archival material, in particular the By-laws, Board meeting minutes and other formal documents, but observation and interviews call into question the validity of Stage 2. In both versions of the process, the executive is the initiator, the one who either brings an issue to the surface or serves as the first line of review on any major

Figure 4
Generic Decision Path: The Coalition

Stages of Decision Process		
<u>Inception</u>	<u>Deliberation*</u>	<u>Resolution</u>
Main Activities:	Main Activities:	Main Activities:
Issue identification Assessment Formulation of strategy	Issue presentation Fact gathering Discussion Formulation of recommendation(s)	Min. discussion Ratification



*Interim informational reports are presented to the Executive Committee and to the Board. The issue remains at the committee level until recommendations are ready to be presented.

issue. During the first stage, *Inception*, the CEO reacts to a stimulus, whether internal or external, assesses the situation and then formulates a strategy. Key staff may be consulted, and the Board Chair is informed once the CEO has a clear perception of the matter.

According to the formal version, in the second stage, *Deliberation*, the issue is assigned to a committee, standing or ad hoc, which is then provided with relevant information or asks the CEO, or her designate, to gather pertinent facts. The executive plays a pivotal role in the discussion on the issue by working closely with the committee head. Interim reports are presented monthly first to the Executive Committee and then to the Board until the point has been reached where recommendations can be formulated. In actuality, the CEO, sometimes in conjunction with key staff, determines the agenda and pushes it through to the final stage, as reflected at the Executive Committee meeting in May in the following remarks by D., the Board member described earlier who was virtually the only one willing to look squarely at the governance of the agency, referring to the aborted "healing" weekend:

But when next it's [the weekend] brought up, this phenomenon is obviously at work. The phenomenon, which is the whole thing just moves under its own momentum, under [the CEO's] momentum, under whatever. It's rolling along on a course very different from the way it had been described and as if it had total endorsement. So the point I'm trying to make is that the system exists in this agency that the CEO makes all the

decisions and proceeds as if with an agenda and whether or not we say anything, that's what's going on....The Board, we have learned our role, which is smiling, nodding and rubber-stamping. [The CEO] has learned her role, which is total autonomy and making all the decisions.

In both versions, the final stage, *Resolution*, is given over to the Board's engaging in minimal discussion of the recommendations presented and then ratifying that course of action.

In the period from September 1991 through June 1992, the Coalition leadership core dealt with two major issues, the reorganization of the agency's programs and services and a reexamination of the roles and responsibilities of the Board and the executive, with the second topic growing out of the first and to some extent, stimulated by this study (Table 21). Although finances figured significantly in all discussions, to my surprise no specific plan was considered to address the deficit created primarily by a cutback in the United Way allocation, perhaps because the CEO thought the main impact would be felt in 1993.

The first row of Table 21 focuses on the *gestation time*, which is that period prior to the onset of the actual decision process during which there may be conversations and speculation on the subject (Hickson et al, 1986). Antecedent events that may be applicable to each topic are examined. As indicated in the introduction to this section,

events must be studied within the context of the internal and external environment. Therefore, the second row looks at this dimension in relation to the two major decision areas. The term *Contextual Press*, which has been adapted from Miles and Huberman (1984, p. 124), conveys the idea that the environment exerts a kind of pressure on the decision process. The third row considers the particular action during the observation period that determined how the leadership core would approach each issue. The final two rows refer to the Deliberation and Resolution stages of the decision path (see Figure 4). Each column of the table provides a chronological view of the process.

In the first situation, the United Way served as the primary stimulus. As far back as 1989, there were discussions with the executive about the need to reorganize the various programs, with a particular emphasis on staffing because of concern about the lack of middle management. Later that same year, there was a discussion at a Board meeting regarding reorganization and the possible impact on staff. By early 1991, the need for reorganizing programs had been accepted and a target date of spring 1992 set, in order to present the United Way with the new structure in time for consideration of the following year's funding. At that point, the former Program Committee became an ad hoc planning group, and it was decided it would be useful to have

Table 21

**Critical Issues Addressed by Leadership Core,
September 1991-June 1992: The Coalition**

<u>Issues</u>		
	Reorganization of Programs	Reexamination of Board/Executive Roles & Responsi- bilities
Antecedent Events	9/89-ED reports to Bd. re U. W. meeting where reorganization discussed.--12/89-Bd. mtg.-reorganization discussed re staff impact.	3/91-Bd. mtg.-Bd. memb. notes prob. completing U. W. Self-Assessment --leads to talk of need for Bd. trng.
Contextual Press	Desire to present new structure to U.W. by spring '92 for '93 funding consideration.	Subtle but cont. discontent of Bd. over CEO's dominance at mtgs.--informal gatherings after mtgs., body lang. at mtgs.
Initiating Act	3/91-Bd. mtg.-noted that Prog. Comm. to meet re needs & progs. (= Planning Comm.)	1/92-Exec. Comm. considers letter from D. (Bd. memb.) re special weekend.
Problem Review	3/91-5/92-Frequent comm. mtgs.--sometimes bimonthly but with varying attendance and focus.	4/92-Bd. discuss. dev. spontaneously but in-depth--5/92-further discussions @ Exec. & Bd. mtgs. --6/92-spec. Exec. Comm. mtg. called to form "game plan"
Resolution of Problem	5/92-Comm. defines serv. categories & feels has fulfilled purpose--discuss dissolving group.	6/92-Bd. mtg.-spec. emphasis on issue, with plans to work over summer on com. assignments, etc.

non-Board members participate along with trustees since the committee's purpose was defined as "the assessment of community needs regarding child abuse and neglect prevention in [the county] and the redevelopment of the [Coalition's] services in addressing those needs in the future" (Minutes, 3/91 Planning Committee meeting).

Over the next few months, the committee continued to meet regularly but with a different set of people each time, which meant starting with defining the purpose and then retracing the work accomplished in the previous sessions, to the frustration of those few constant members. By the time I became an observer, in October, a plan had been formed to develop several questionnaires aimed at various groups in the community to determine the needs, but there also seemed to have been a shift in focus. More and more, financial matters around staffing became a priority, and finally the questionnaires were no longer mentioned.

Despite the supposed spring deadline, the committee did not meet for several months, due primarily to the CEO's preoccupation with several personal matters. From the beginning, the leadership of the committee had been provided by the executive even though there was a Board member as the nominal chair. In March 1992, when meetings resumed, a second trustee was asked to be chair since the first person had now

left the Board. F. is the CEO of a community-based agency for which the Coalition frequently provides training; she and the Coalition's CEO are both active on the United Way executives' council. While F. professed to have the interests of the agency at heart, she was often late for meetings and never seemed well prepared. I sensed her first loyalty was to her counterpart, which may have been one reason she was chosen to fill the vacant leadership slot.

The Coalition executive continued to dominate the discussion just as before. Although the committee had identified four areas of programmatic focus for the agency, the CEO added to the mix a request that the committee assume a major role in the implementation of a new Community Development grant. At first, F. seemed to question the appropriateness of this function for a planning group, but ultimately agreed to its inclusion. The lack of involvement of representatives of outside agencies was discussed. The CEO, attributing this to the overwhelming nature of the task and to funding cut-backs, said it was necessary to "rev up" these people again, but in the subsequent months only one or two individuals from other agencies ever participated in the meetings, which meant that the agenda was controlled by the executive and her staff and thus tilted to their concerns.

At the next meeting, the CEO effectively stifled the efforts by F. to concentrate on the four identified program areas. Instead, she proposed another approach, breaking up the agency's current programs into two divisions, with mid-level supervisors for each. Adding to the confusion were the suggestions for new program directions offered by E., a founding member of the organization back now for a second stint on the Board. Because E. is also a funder of the agency, she commands attention even though her style is often confrontational. It was fascinating to watch the CEO's different approaches in dealing with F. and E. With the former, the executive seemed to feel free to ignore her, although in a kindly way, but when E. spoke, there was always a respectful, appreciative response.

In April, there was again a clear shift in emphasis to the matter of staff salaries. According to the CEO, the Finance Committee had been meeting around the issue of "how many staff the agency can carry if salaries are brought up to the comparable level of others in the field" (Minutes of 4/23/92 Planning Committee meeting). Once the discussion did turn to the reorganization of services, it centered on what was needed in the community rather than on how to fit in the present programs. Interestingly, when it was pointed out to the CEO that this was a return to the original purpose for the committee, she seemed not to be aware that there had

been any change from this objective in the previous months. By May, the committee settled on three program divisions or categories, with the idea that current services might be maintained or new ones created as needed. All agreed that the task of reorganization had been accomplished, and it was now a matter of prioritizing the three areas and deciding who would carry on from here.

As time went on and I became more familiar with the Board, I was conscious of a growing frustration on the part of several trustees about the governance of the organization. It was evident in the poor attendance and even in the body language and the level of involvement at Board meetings, where the executive was looked to even more than is usual in nonprofit settings. At times, people left meetings with angry faces, and often there were small gatherings of trustees in the parking lot after sessions where individuals voiced their dismay but with a certain confusion over what to do about their feelings.

The first time some of these concerns surfaced at an actual meeting was in January, when D. raised the matter of the special weekend, which has been described earlier in the chapter. Although no other specific issues were discussed, D.'s willingness to state the obvious, that the CEO was being allowed to make decisions without the Board's being

fully aware of the possible consequences, served as a kind of catalyst. In March, the CEO told the Board that staff morale was low, which prompted the plan to hold the next Board meeting at the agency itself and make it a staff recognition event. However, the execution of the plan was flawed; attendance, by both trustees and staff, was low, and in the end, the staff provided the refreshments for their own celebration. When one trustee expressed her disappointment about the outcome of the day, a spontaneous discussion about Board/executive roles and responsibilities ensued. E., the longtime Board member who was also a funder, summed up the general sense of the group when she said she felt the staff tended to dominate the agency: "Our CEO takes good care of the Board. She plays the dual role of managing the agency and managing the Board. Consequently, the Board doesn't feel responsible for the agency." After a good deal of ventilation, including some fairly acrimonious exchanges between trustees, it was determined that more discussion on this topic was needed.

This subject was the focus of the next Executive Committee meeting, in May, which was notable for the absence of the CEO, leaving the Board members free to be totally honest in expressing their feelings and concerns. Again, D. was the one who put the matter in perspective:

My perception of what a Board does is to offer governance, and I feel absolutely that that's not what's

going on here. [The CEO] has been placed in a position where she's the only viable individual. She is doing everything, and what our Board does is nod and smile and rubber-stamp anything she brings in. I don't think this is fair to her....I have a real investment in this agency, and I walk out of here angry a lot of times because I feel I have a certain expertise to bring and it's just kind of blown off. There have been some decisions that have been made that have not turned out well, and we have endorsed those decisions.

However, the responses to D.'s very emotional remarks were indicative of the agency's basic problems. One trustee acknowledged that she had had similar experiences of offering ideas to the staff that were discounted and then feeling angry but admitted that she was not willing to expend the necessary energy to change the situation. She had decided to stay on the Board--perhaps because her employing agency makes use of the Coalition's services--but to devote herself to another board, where she felt she was more appreciated.

A second trustee, who is personally close to D., was supportive of her position, but she admitted she felt intimidated at times during the discussions at Board meetings because so many of the others are experienced professionals, as is the CEO; if there was endorsement of a proposal from the executive, she felt uncomfortable raising any objections, so would endorse it, too. Finally, R., the Board Chair, tried to find a middle ground that would allow her to be sympathetic to what D. was saying but also continue to give strong backing to the CEO. At the same time, she did

not seem to understand that she would have to demonstrate leadership if there were to be any significant restructuring of the approach to governance.

At the Board meeting that month, the Executive Committee came under fire for not presenting a solution to the question of revamping roles and responsibilities, as though the matter were one that could easily be rectified by a businesslike approach. In fact, at different times, attention was given to a list of Board tasks for 1992 that had been included in the Board Book, but it was also pointed out that the list had been developed by the staff and thus was a further symptom of the problem. The CEO spoke at length during the meeting. While she was openly critical of the Board's performance, she was skillful enough to describe the Board's apathy and inactivity in terms of possible Board liability, so that it appeared her primary concern was for the trustees. Once more, D. attempted to focus the Board on what she believed to be the fundamental issue, the lack of cohesiveness or sense of being a group. However, there were several who were uncomfortable with that topic and preferred more of a task orientation. It was again put to the Executive Committee to come up with a plan, even though it was rather clear by then that the Executive Committee did not have the necessary expertise.

The direction the discussion took at the May Board meeting was a turning point. D. announced she was resigning because she felt she was out of sync with the others, and no one attempted to persuade her to stay. A special Executive Committee meeting was called for early June with the express purpose of formulating "a 'game plan' based on our last two board meetings," according to the meeting announcement. Eventually, the discussion turned to that central matter, but not before the executive occupied a good part of the agenda with a few operational matters of no great consequence. Many important organizational issues surfaced, such as recruitment practices for identifying new Board members and Board composition in terms of diversity, but there was not sufficient time left to go into these things in any depth.

In the end, the Committee decided to hold the next Board meeting in the evening, and make it a combined social and business event. The agenda consisted of three items: my report back to the Board on the aggregate responses from the questionnaire I had distributed, a lengthy presentation by the CEO on the agency's programs, and a relatively short period given over to discussing what standing committees should be in place and who would participate on them. Board members were asked to work over the summer on committee

assignments. The window of opportunity for any meaningful change in governance seemed to have closed.

Concluding Remarks

In reflecting on the two major decision areas addressed by the Board and on the general organizational climate, I view the Board much as D. had, as lacking a certain cohesiveness. In fact, I have identified three distinct groups within the larger body. First, there are the *loyalists*, who support the CEO and do not see anything wrong in her strong leadership role. Sometimes these individuals have selfish reasons for their support, for if the CEO were to leave, the agency's existence would be in some jeopardy, and one of their agencies might have to pick up the services now provided by the Coalition. Then there are the *fence sitters*, who do not want to make a decision about a structural change either because they do not know what to do or see themselves on the Board only as representatives of their employing agencies. Finally, there are the *change agents*, who are frustrated by the present situation and feel left out; some, like D., may leave the Board unless there is some progress. Based on the evidence, I have concluded that while the Coalition is functional in the strictest sense, a crisis, such as erosion in the client base or an implied threat to funding, could expose the fundamental weaknesses of the current Board-executive relationship (Wood, 1992).

SECTION 3

THEORETICAL CONSIDERATIONS AND PRACTICAL APPLICATIONS

CHAPTER EIGHT: CROSS-SITE ANALYSIS

Introduction

Having looked in great detail at each study site separately, we now turn our attention to a comparison of the four cases, in order to increase the "potential for both greater explanatory power and greater generalizability than a single-case study can deliver" (Miles & Huberman, 1984, p. 151). Comparison will be conducted on three levels: the board of directors, the CEO and the relationship between the board and the executive.

The data will be examined in several ways, as recommended by Eisenhardt (1989). Within-group similarities and differences will be explored in the context of specific categories of the phenomenon. At appropriate points, cases will be paired to give more richness to the consideration of common and divergent behaviors. Finally, information derived from one data source will be checked against findings yielded from another source to determine the degree of consistency, to the extent possible, in the patterns that are revealed (see also Patton, 1980).

The Board of Directors

I suggested earlier that it is necessary to understand an organization's internal and external environment to grasp

the behaviors of the leadership core. In setting forth their methodology for grounded theory studies, Strauss and Corbin (1990) use the concept of *context* to describe both "the specific set of properties that pertain to a phenomenon" and "the particular set of conditions within which the action/interactional strategies are taken" (p. 96). Table 22 addresses contextual issues by providing a comparison of the four sites according to board demographics but also by broader, more abstract conceptualizations.

The first dimension is board size, which ranges from twenty-four members at the Coalition to twenty-eight at both the Network and the Center to forty-four at the Society. While most of those who write about nonprofit boards hedge a bit on recommended size--for example, "large enough to represent broad-based community support and expertise, but small enough to be efficient" (Center for Nonprofit Management, undated)--there is a general sense that smaller is better. Mathiasen (1990) states that "once a board reaches a membership of thirty--perhaps even twenty-five--its capacity truly to govern an institution is limited simply because the board has become unwieldy and hard to manage" (p. 14). In his opinion, once a board reaches that size, it relies almost exclusively on committees to do its work; in other words, he equates the governance process with governance tasks. Houle (1989) proposes a more "scientific" approach to deter-

Table 22
Comparison of Agency Context

Properties/ Conditions	Sites			
	Network	Center	Society	Coalition
Board Size	n = 28	n = 28	n = 44	n = 24
Board Composition				
Gender	46%M, 54%F	50%M, 50%F	100%F	75%F, 25%M
Ethnicity	maj. Cau.	maj. Cau.	maj. Cau.	maj. Cau.
Age	maj. 40+	maj. 50+	maj. 40+	maj. 40+
Occupation	profess'l. bus. mgr.	mun. emp. retired sm. bus. owner bus. mgr.	homemaker retired	human services profes.
Participation	variable	variable	high	low
Committee	several	several	many	few
Structure	active	active	active	inactive
Executive Committee	sporadic powerful	sporadic var.power	regular powerful	regular weak
Organizational Identity	moderate	moderate	high	high
Formality	mod-high	low	high	low
Financial Stability	moderate	variable	strong	shaky
General Stability	high	high	high	mod-high
Style	corporate	naturalis- tic	traditional	grass-roots

Notes: 1) Society references to Board of Managers only.

2) Occupations are listed in descending order of major fields represented on each board.

mining the appropriate board size that involves calculations based either on the number of committees and committee members or the kinds of groups to be represented and the number of people needed for each group; the one constant factor is that the number should be uneven, so that voting is not deadlocked.

For the study sites, however, size was inversely related to the Boards' level of participation, with the largest group, the Society, having the highest involvement in matters both formal and informal. As one trustee noted on the questionnaire:

I have served on many Boards, and this is the most organized and dependable Board I have had the pleasure to work with. All members really care about the children, and the efficiency with which the [agency] is run is a credit to the Board, executive director and the staff.

Contrary to Mathiasen's (1990) observation, although the Executive Committee does carry a lot of power, all matters of importance are presented to the full Board for approval, and the intricate committee structure ensures that most Board members have had some connection with a key issue at the discussion stage. In contrast, the smallest Board, at the Coalition, had the poorest attendance record for both Board and Executive Committee meetings during the observation period, minimal committee involvement in general, and there was even difficulty in getting a good turnout for special events. One trustee reported to his colleagues at

the April meeting, following a small fund raiser sponsored by a local civic club, that he had been "embarrassed" when only two Board members showed up all day, and materials that had been promised never were delivered.

The Network and Center Boards are the same size, and their gender composition is alike. Both also have several committees that met on a regular basis, with generally good attendance, throughout the year, but Board meeting attendance varied and was a source of some concern for the Board leadership. In terms of Board composition, the Center trustees as a group are the oldest of the four study sites and hold somewhat less prestigious positions of employment. Yet, due to their cohesiveness, they were capable of exercising considerable authority, especially on financial matters. On the other hand, the Network Board proved to be less of a power than first thought when looking at the individual backgrounds of the trustees, particularly in the area of fund raising. This was demonstrated by the report from an outside consultant, who after conducting a feasibility study to determine readiness for a capital campaign, counseled against a campaign at this time because the agency did not have broad recognition in the community, which is an area often considered a board responsibility to further (Carver, 1990; Houle, 1989, O'Connell, 1985; et al).

As has been noted in Chapter Four, the Society Board is a high-status group, in its own right and by virtue of the derived prestige through marriage to prominent men. Of the four Boards, this is the only one where a considerable number of the trustees defined themselves as homemakers, although the Network also has a few Board members not working outside the home but who list their occupation as "professional volunteers." Given the large number of the Center Board members over 50, it is not surprising that so many are retired. Both the Society and the Network also have a significant representation of retirees. Although the Network, the Society and the Coalition all have a majority of Board members over 40, broadly speaking, the Coalition has the youngest trustees. In addition, the Coalition Board has the least amount of diversity in regard to occupation, with its heavy concentration in the human services.

Looking at the remaining demographic characteristics, gender stands out only for the Society, with its all-female Board. Contrary to Zald's (1969) views that "not only do women have less command of external resources...but...they are [also] socialized to more passive role taking" (p. 106), the Society trustees have an excellent track record in fund raising, especially this year, and demonstrate great leadership skill at both the committee and the board level. The tendency of the Society Board toward a consensus style of decision

making is consistent with the finding by Bradshaw et al (1992) that the proportion of women on boards correlates with a power-sharing pattern emphasizing participative and democratic values.

The lack of a strong minority presence on all four Boards was not treated as a major concern by members, based both on observations and on conversations with the leadership core, although efforts were made to increase the numbers at the Network and the Center during the observation period. Widmer (1987) points out that the common recruitment method of relying on friendship networks usually means that new people resemble those already on the board, which may account for there being just two African Americans on the Society Board. However, it makes the relatively small number at the Coalition all the more surprising since so many of the trustees work in human service settings where the likelihood of finding suitable minority candidates for the Board should be enhanced. In June, at the special Executive Committee meeting held to develop a plan for improving Board participation, F., who is African American, made some pertinent comments about the nominating process that, to a greater or lesser degree, fit all the sites:

It's like a baseball team. You have six catchers, two outfielders and a pitcher. You've got nine people, but you don't have the right players. When we go out to look for people to serve [on the Board], what are we looking for?....We aren't even close to being as inclu-

sive as we should be, but that's another area. We don't even want to get to that one. We can't touch that one right now until we get our act together here, but the Nominating Committee is looking at Board membership....What are they looking at?

The Network seemed to be the most sophisticated about recruiting individuals with specified skills, but I did not see a systematic process at any of the agencies to ensure the best possible mix, ethnically, geographically or occupationally.

On the matter of committees, reference has already been made to the complex structure at the Society, which defies logic by being very efficient and effective because of well-established procedures and good staff support. All committees are clearly led by trustees. Both the Network and the Center had several working committees, some standing and some ad hoc, in operation during the observation period. In general, the Network committee members appeared to be better prepared at their meetings than their counterparts at the Center, perhaps due to a greater reliance on written materials explicitly addressing the topics under discussion and often supplied in advance. These committees were also volunteer-led, although the two executives played active roles in the deliberations. At the Coalition, committee work was limited, with only the Membership (standing) and Planning (ad hoc) Committees meeting regularly; the CEO was not involved in the former's work but dominated the latter.

The Executive Committee serves a different purpose at each site. At the Network, it meets only as needed but carries out important functions, such as the executive's performance review, when it does sit, and therefore it has a fair amount of power. The Center's Executive Committee, which meets sporadically, did not figure prominently in the decision-making process while I was studying the agency except on the matter of Board rotation. However, it showed its strength on that occasion by resisting the CEO's attempts to push the issue through quickly, and for this reason, I labeled the Committee *variably powerful* in Table 22, even though one might more accurately call its power *latent*. The Executive Committees at both the Society and the Coalition meet monthly, but that is where the similarity ends. Because of the size of the Society's Board, issues are fully discussed within the Executive Committee before being presented to the Board for a formal vote; thus, the Committee has enormous power. Conversely, the Coalition's Executive Committee suffers from poor attendance and indecisive leadership, which has tended to weaken its authority. The Society's Executive Committee comes closest to being a power elite, but the organizational rules and norms, for example, the comprehensive format for minutes and the checks and balances built into the system, seem to prevent the undue exercise of its influence.

Turning to the more global concepts presented in Table 22, the first item is *organizational identity*, a category that has both internal and external components. First, it is a question of how the key players--the leadership core--view the organization's mission and programs. Is their understanding of the agency's purpose and the services it provides consistent with statements contained in such formal documents as the articles of incorporation or government contracts? Is their assessment of the quality of service realistic? The second dimension refers to the level of community recognition--in other words, the agency's reputation. It is this element that is addressed in Table 22. The internal view may be confirmed by external opinions, but there may also be a fairly wide gap between the two perspectives.

At the four study sites, while all the Board members seem to have a good grasp of purpose and program, outside validation varies. Both the Society and the Coalition enjoy a high degree of recognition, in equal measure for the services provided and for the professionalism of their executives. The Network and Center CEOs are also regarded highly in professional circles, but their agencies do not have the same widespread support as do the other two sites. As noted earlier, the Network discovered this in the course of having a feasibility study conducted prior to launching a planned

capital campaign; the agency was forced to abort the campaign and to take concrete steps to rectify the situation by hiring full-time development and marketing staff. At the Center, the lack of broad recognition is seen as a problem by some trustees, one of whom noted: "A key reason why we don't attract people to serve on the Board is the agency is not well known in terms of what it does. The new building has helped to raise [our] profile."

Formality encompasses both the structural notion of prescribed roles and procedures and "the patterned regularities and processes of interaction" (Ranson, Hinings & Greenwood, 1980). The highest degree of formality was demonstrated at the Society, where every aspect of Board life is governed, it seems, by a specified way of acting. The trustees appear to find this very reassuring. The Network, with its Corporate Model, evidences a fairly high level of formality; the CEO was clear about the distinctions between her responsibilities and those of the trustees, and most of the trustees seemed to understand the distinctions as well, even though some were not happy at the lack of contact with programs. At the remaining two sites, formality is relatively low. In fact, at the Center, despite a basic adherence to the settlement house tradition of attempting to meet community needs, one is never quite sure what might take place at a Board meeting--a flare-up by one trustee and kisses blown by

another are equally likely occurrences. At the Coalition, it is sometimes difficult to distinguish informality from apathy.

Two aspects of stability are recognized, the one stemming from financial security and the other, from a general sense of comfort that encompasses steadiness of purpose in meeting the organization's mission, the absence of any regulatory or legal actions of any consequence that might threaten the agency and the solidity of the Board-executive relationship. Often, these two dimensions are parallel, but it is not necessarily a given. For instance, the Coalition's finances are shaky at present, but the agency continues to provide high-quality programs as it attempts to reconfigure its service package. Most of its problems have been internal, to this point. And while the relationship with the CEO is under scrutiny, there is no evidence that the Board is thinking of severing that association, only improving it.

The Society represents the ideal situation, in which the absence of worry over finances makes it possible to concentrate on carrying out the agency's mission to the fullest extent. While the CEO informed the Executive Committee of minor legal matters from time to time, none presented a real concern. An incident involving an unannounced visit by an official from the State Department of Social Services illus-

trates the level of general stability, in all its facets, this agency enjoys. When the official asked to see some client records, the executive was able to comply immediately. The speed with which the material was produced and the thoroughness and timeliness of the information in the records so impressed the inspector that she inquired whether the agency might be willing to take clients from a major urban center outside its five-county catchment area and then others could see how an agency should be run. The Board President insisted the CEO tell this story at a Board meeting, which gave him the opportunity to thank the trustees for their contribution via participation on the Utilization Review Committee.

Finances remain an ongoing concern for the Network and the Center, although there was a pickup for the former organization toward the end of the observation period. Despite this variability, both maintain strong programs and services, with a high level of client confidence. For the Center, a report from one regulatory group did single out the lack of rotating board terms as a weakness in an otherwise positive picture, but I am not aware of any sanctions having been imposed. Overall, with regard to external bodies, the situation was calm there, as it was at the Network. With respect to the Board-executive relationship, it has been noted in earlier chapters that some trustees in each site

made negative comments about their CEO's performance, but the majority were clearly supportive.

Finally, we take a look at agency style, which refers to the characteristic manner in which a board functions. For the Network, the corporate style is more than simply a reflection of the adoption of the Corporate Model. It also captures the generally reasoned tone of discussions, the emphasis on process and outcomes, and the lack of much personal byplay among Board members; in other words, this group has a businesslike way of operating. At the Center, on the other hand, the Board is mission-driven, which has led to a naturalistic style, that is, one based on instinct and moral commitments rather than on formal rules. As I indicated in Chapter Five, this Board often seems more like an extended family than a formal policy-making body, and individual convictions regarding a particular issue frequently are as influential in the decision making as the facts. The Society Board's style is not so different from that of the Network Board when it comes to a strong reliance on process, except that the primary reference point is to the way things have been done in the past, and there is more personal interaction among the trustees. Although the agency makes use of modern technology in its day-to-day activities, the Board's slow and deliberate governance approach, the niceties of the Board meetings themselves and the composition of

the group speak of an earlier, gentler time. At the other extreme, the Coalition evidences the stereotypic grass-roots style, in which matters are handled with little advance thought, individual responsibilities are unclear and decisions made on one day may be reversed the next. It is almost as though the organization reinvents itself as it goes along.

The Chief Executive Officer

Now to focus on the other half of the leadership team at the four study sites, the CEO (Table 23). In terms of demographics, the Center and Society executives are male, and the Network and Coalition executives are female. All are white and range in age from mid-40's to mid-60's.

From the standpoint of educational credentials, the Society's CEO holds a master's degree in education while the other three have earned an M.S.W. Only the Network's CEO had served as the top professional in a prior setting before assuming her current position; the others advanced from lower-level management and/or program directorships. The Society and Coalition executives have served in their present roles fifteen years and twenty years, respectively. The Network's CEO has the least amount of tenure, just over six years, followed by the Coalition's CEO, with seven years. The Center executive was promoted from within, having been

groomed for his current job by his predecessor. The Coalition's CEO was a program director at the agency, left to pursue graduate studies and then returned to be the executive. The Society's CEO was recommended for his position by his immediate predecessor, who now is on the Board. The Network executive is only the second individual to hold that post, having followed a man with a tenure of thirty-one years.

I have made much of the tenure issue for two reasons. First, tenure has been identified as one of the potential sources of an executive's power, on the premise that continuity confers a kind of legitimacy (Kramer, 1985). Second, the idiosyncrasy credit model, which addresses a leader's ability to bring about innovation, is predicated on the idea of creating a store of good will with subordinates and other key constituencies over time (Hollander, 1978). As I have illustrated in earlier chapters, both the Center and Coalition CEOs have used the idiosyncrasy credit theory to advantage in Board dealings, and the Society executive has certainly benefited from a long history with the agency in his relations with the Board. On the other hand, I attribute

Table 23
Comparison of Executives

Concepts/ Categories	Sites			
	Network	Center	Society	Coalition
Demographics				
Gender	F	M	M	F
Age	mid-60's	late-40's	50's	mid-40's
Education	MSW	MSW	M.Ed.	MSW
Prior Experience as E.D.	Yes	No	No	No
Tenure (yrs.)	6+	20	15	7
Executive Assets	high	high	high	high
Style	corporate	naturalistic	traditional	grass-roots

some of the problems the Network executive has encountered with the trustees to her relatively short tenure, especially when compared with her predecessor, in addition to possible gender-related issues.

Kramer (1985) describes the power of the executive in terms of his or her "resources for influence," which include professional status and expertise, administrative authority and responsibility, a full-time commitment to the organization, length of tenure, access to and control over the provision of information, and informal relationships with key individuals inside and outside of the agency. A similar concept is used by Levinger (1970), who refers to such individual resources as personal characteristics; knowledge,

information and skills; and social-emotional capacities. In an earlier piece (Golensky, 1988), I chose the term *executive assets* to capture both the personal and professional dimensions of the earlier definitions. From the data I have collected for this study, I believe this construct of executive assets, which I now call a *category* in deference to Strauss and Corbin (1990), is one of the central variables affecting the board-executive relationship in nonprofit organizations.

I first sought to examine the category of executive assets through the questionnaire distributed to Board members. Question #14 asked the respondents to indicate the importance of several of the qualities and characteristics noted above in the selection of the current executive. Although the information was insufficient to draw any firm conclusions, since only a few respondents at each site indicated they had been on the Board at the time and involved in the process, I was able to see a pattern by looking at the data from the Network, the Center and the Society, each of which had at least two respondents (5, 5 and 2, respectively). The items judged to be very *persuasive* included prior experience, educational background, references, knowledge of client problems, knowledge of community, communication skills and general management skills. At the Network and the Center, personal appearance was also a very persuasive

factor. The Center added personal/professional contacts and a fundraising track record, and the Society cited personal/professional contacts as well.

Question #18 then requested that the respondents identify the three skills or characteristics they felt a good executive must have, using the same list as in the earlier question. The most frequently selected attribute for all four sites was general management skills, with an equal number of the Coalition's respondents also listing communication skills. At the Network, the next two qualifications were knowledge of the community and a tie between prior experience and communication skills. The Center's respondents chose communications skills and educational background, while the Society's picked knowledge of client problems and communication skills. The choices at the Coalition were knowledge of client problems and knowledge of the community. Comparing these responses with those for Question 14 reveals a high level of agreement between the more generalized selection process and application in a real-life situation.

I shifted back to the particular in Questions 19 and 20, which asked for a rating of the level of confidence in the executive's performance at this time and the basis for the rating. As noted in the individual site profiles, only the Society's CEO received a 100% rating of high performance by

the respondents (n=40). One Board member summed up the general sentiment:

I think our Executive Director is an unusually well-qualified person because he is so good at handling his staff, the many matters, his rapport with the Board and his standing and respect shown him by his fellow Directors of other homes plus his political know-how.

Praise for the executive seemed to be based equally on his professional skills and personal qualities. According to a relative newcomer, "the short time on the Board has made me extremely aware of the [CEO's] capabilities as demonstrated at Board meetings, his always being interested and open whenever asked personally or by phone, his relationship with staff, etc.--genuine commitment."

At the Network, the nineteen respondents were divided between a high (84%) and a medium (16%) rating. One of those who viewed the executive most favorably based her judgment on the CEO's "ability to handle difficult situations, [her] creative approach to problems, and [her] communication skills"; a second found her "well-informed, skilled in negotiating with agencies, [and she] knows how to use the Board." Other skills and qualities that were valued included the executive's conduct at meetings, her management of staff, her warmth and her decency. The three individuals who rated the CEO's performance as medium noted broad concerns about her handling of finances, some past decisions that did not turn out as well as expected and an insuffi-

cient level of "leadership that is more reactive than proactive." For this last person, there was a feeling that nonprofits are entering a new era:

Executive Directors and Boards must thoroughly understand and be able to work under today's economic difficulties. I don't believe we will ever go back to the free spending days. I think this understanding and new thinking is going to be vital for the future success of many non-profit social welfare organizations in the country.

Since this Board member is retired from a management position in the business world, his support for a kind of entrepreneurial behavior is not surprising. However, we must keep in mind that the Network's organizational culture does not encourage a great deal of initiative by its top professional, with its tradition of waiting for outside pressure to effect any programmatic or geographic expansion reinforced by the rigidity of the Corporate Model. The Network CEO's tendency to guard her operational prerogatives, such as the making of personnel decisions, while at the same time shying away from bold, external action perfectly captures the inherent dichotomy of hierarchical settings: "Although large hierarchical structures may provide more opportunity for power-seeking behavior, they also tend to entail more cumbersome and restrictive internal systems of control and accountability....[which is] strengthened by the tendency...to develop an inertial character" (Young, 1983, p. 93).

Opinions about the Center executive's performance were similarly divided. Here, fifteen of the respondents (75%) rated him highly, and the remaining five (25%) felt he was at a medium level. A Board member in the first group noted that "[the executive] is very unique. He is constantly looking at the goals that were set for the agency, evaluating them and forming new goals." Another commended his "ability to sustain the agency financially and to work with staff, understanding their needs and the needs of the programs in relation to community needs." Others' high ratings were based on the CEO's long tenure, "the success of the agency both in the eyes of the community and the clients it serves," and the day-to-day working relationship, captured by this former officer: "I was a three-term Board President and worked closely with [him] the whole time. He is a most capable administrator."

On the other hand, those who gave him a medium rating identified some of the same areas for criticism, such as financial management and goal setting. There was also some ambivalence within this group about the executive's skill in working with staff. Despite the overwhelming number of strong supporters, the conflicting feelings of the Board toward the CEO are best expressed by the trustee who in rating him highly said: "This is my view alone not that of

the other members who, I believe, don't feel his performance is so great."

The split in the views of the respondents at the Coalition over the CEO's performance was virtually in the same proportion as at the Center, 73% (n=8) at the high level and 27% (n=3) at the medium level. As I have pointed out in the profile of this agency, opinions about the executive are very personal, that is, they are based on the individual Board member's direct experience in dealing with her, to a greater extent than I observed the same dynamics at the other sites. These opinions also are subject to change when the one-to-one relationship changes. For example, a very new trustee who was full of enthusiasm at the beginning and eager to offer her services rated the executive highly at that point for her "knowledge of clients' problems, always [being] open for suggestions, creative and dedicated." Later on, I observed this Board member being ignored by the CEO and other staff when she requested some specific information to help her in fulfilling an office that she had assumed, and she subsequently resigned from this position. Among those who rated the CEO highly, her strength in program development was specifically highlighted, along with her ability to secure the necessary funding and maintain good community relations.

The primary concern of the individuals who gave her a medium rating was the tendency to work too independently of the Board. Another trustee with limited tenure, who resigned during the course of the year, said in this regard: "I did not attend many meetings. I felt that the board was only there to fill the requirements of the United Way--in order to obtain funding." Yet, some Board members have seen the executive's dominance at least in part due to the abdication of leadership by the Board, as a trustee eloquently stated at the May Executive Committee meeting:

We leave a lot of responsibility to [the CEO] and by virtue of who she is and her commitment she has taken the responsibility. She has taken the stance and has put forth the creativity and expertise to keep the agency afloat and make it function to the best of its ability....It has gotten to the point where we endorse...because we know she'll do a good job or because we are not interested.

Her remarks were made with a mixture of admiration, bewilderment and a bit of annoyance, which perfectly corresponds to the general Board reaction to the uncertain situation in which it found itself over the division of labor with the CEO as the year progressed.

The evaluations of the executive assets of the four CEOs drawn from responses to the questionnaire were checked by observations of Board and committee meetings, by specific questions included in the trustee and CEO interview schedules, and to the extent possible, by careful reading of documents, especially minutes. The data have led me to the

conclusion that the CEOs in the study sites hold a significant degree of power, in the sense of both its potential for influence and its actual exercise within the organization (Brager et al, 1987; Molm, 1987). Sometimes, the power display is very subtle. For example, a Society Board member who chairs a major committee commented on the executive's behavior in meetings: "I have rarely seen him show frustration, but I can recognize the signs when he feels a discussion on an item has gone on too long. He will sigh, look at the ceiling or go for more coffee." She said when she sees these signs, she knows it is time to move the agenda along. This CEO rarely pushes his opinions directly, preferring instead to use his skill in educating the Board as a mechanism for expressing his preferences on different issues. By the way he delivers the facts and organizes the material, he conveys what he believes to be in the agency's best interests on the issue at hand. He also knows he can rely on the customary ways of doing business to sidetrack a matter that he does not support, such as the Board Treasurer's desire to have more contact with the outside auditor, which was unlikely to happen because the individual's term would end before the issue could go through the many committee layers. The executive's high degree of comfort with maintaining organizational processes as they have been over the years, his satisfaction with incremental change and general lack of interest in strategic planning, and his easygoing manner

mark him with a characteristic way of operating that I would call a traditional style.

However, even if it were his intention, it is fair to say the Society executive would not find his particular setting conducive to overt power plays. As a trustee noted: "I believe the Board is too large for the Executive Director to play politics. He wouldn't be able to coopt enough people. He has had to adapt to the organization's culture." One example of that adaptation is the limited role the CEO plays in the nominating process, which is here as in most settings a critical aspect of governance since it controls both the identification of new Board members and the selection of officers and committee chairs. When I inquired during my interview with him whether he would like to have a more formal role, he indicated he was comfortable with the present system.

At the remaining three sites, different circumstances have led each of the CEOs to act more forcefully to carry out the responsibilities that have been delegated to him or her. At the Network, the very nature of the Corporate Model dictates that the executive demonstrate leadership in all operational matters since there is greater top management accountability than in the more standard nonprofit agency structure (Fram & Brown, 1988). In this case, because the Model is still

relatively new, the executive has felt the need to reinforce its specific elements whenever she sees a trustee slipping back into the old ways. The executive is an active participant on the Nominating Committee in the screening of candidates for the Board and serves in an advisory capacity in choosing committee heads and officers. Yet at least one trustee would like her to be an even greater presence "in finding Board members and shaping the Board," which leads me to conclude there is a relatively high level of comfort with the confrontational behavior of the executive that I have witnessed from time to time, which I associate more with a for-profit CEO. With the executive's admitted bias toward process and the hierarchical structure within which she functions, a corporate style seems to be the appropriate choice for her usual pattern of behavior.

Although the Center's CEO resembles the Network executive in terms of taking strong direct stands with the Board, both in meetings and on an individual basis, his motivation for such actions seemed to me to be qualitatively different. In his case, I attribute his actions to a strong moral sense of right and wrong, which he is willing to defend even at the possible risk of losing Board support. His insistence on bringing up the matter of rotational terms at the Personnel Committee in June just after he had made a similar presentation to the Executive Committee and met considerable resis-

tance is a good example of this. His explanation for following what many would consider an imprudent course was that he felt so strongly the Board needed to make this change for the good of the agency, it was worth putting his reputation on the line. Of course, he was operating with the security of a twenty-year tenure and thorough knowledge of the individual trustees due to the longevity of so many of them, an ironical twist on the subject of limited Board terms, but I did not doubt the sincerity of his convictions. His tendency to act on his instincts and the intensity with which he often expresses himself--for example, his very verbal role as a member of the Nominating Committee, where he is known to "push for more business and professional types," as one person put it--has led me to identify his characteristic style, like his Board's, as naturalistic.

Just as I have drawn some similarities between the executives of the Network and the Center regarding their directness in dealing with their trustees, it is possible to point out similarities between the CEOs at the Coalition and the Center on other dimensions, notably their entrepreneurial qualities in dealing with the external world. Both of them have received Board praise for their skill in identifying and securing new funds, at the Coalition primarily for program development and at the Center for both program and capital projects, especially in connection with the recent

building expansion. A second area in which these two executives take a similar approach is in communicating with the Board. In the chapter on the Center, I noted at several points the paucity of information provided by the CEO to his Board and tied this to his tendency to manipulate the trustees. Even though the Coalition's CEO provides a great deal more information, more frequently, through the report prepared for each Board meeting, it was my sense that the timing selected to convey certain pieces of information was often calculated for maximum effect, and "facts" might be altered as well. For example, one trustee complained she had been trying for months to get some answers regarding four proposed budgets for the agency; early on, she was told staff had created the budgets, but at a meeting of the Planning Committee in the late spring, the same budgets were presented by the CEO as the product of the Finance Committee: "Who is the Finance Committee? I've been a Board member here almost nine years....I should know this stuff!" The CEO told me during one of our first discussions that the agency had placed much more emphasis on formal recordkeeping in the past, but she no longer saw it as a priority, and most of the trustees seemed unperturbed by the inconsistencies in details, if they even noticed. With the executive's lack of concern for procedure and her willingness to forge ahead to seize opportunities for the organization based on

her own judgment, I feel it is accurate to say she operates generally in a grass-roots style.

The Board-Executive Relationship

In a grounded theory study, coding is a multi-level process. At the first level, it helps the researcher summarize different segments of data. As time passes, one begins to see repetitions or patterns in the properties and dimensions of the various categories that can also be coded (Strauss & Corbin, 1990). "Pattern codes usually turn around four, often interrelated, summarizers: themes, causes/explanations, relationships among people, and more-theoretical constructs" (Miles & Huberman, 1984, p. 68). In this chapter, so far, we have looked at the patterns among the four boards and the four executives separately; it is now time to compare the study sites on the relationship within the leadership core.

Table 24 focuses on some key categories and sub-categories that either bear directly on the interaction between the Board and executive or influence the way in which one half of the team relates to the other. The first theme is *Board Educating*, which refers to the mechanisms employed by the CEO to teach the trustees about aspects of the organization's operations and/or the environment in which it functions. Frequency (How often does educating occur?) is

addressed in the table but other properties include nature of topic (How technical is the subject matter?) and forethought (To what degree is the educating planned in advance? How often does it occur spontaneously?). This is an area in which the Society's CEO displayed great talent, both in the manner he employed in the educating process and in the quality of the information he conveyed. As noted in Chapter Six, he saw this as an important responsibility and so made an effort to build educational elements into his formal reports and presentations, but he also took advantage of opportunities as they arose, such as in responding to a particular question from a Board member. He never talked down to a trustee, and he showed his respect for the Board by covering such technical topics as rate setting and depreciation. The other three executives did a certain amount of Board educating but sporadically and out of necessity or to achieve a particular end more than from any conscious desire to increase awareness for its own sake.

Board Operational Awareness addresses the degree to which the trustees understand the different aspects of the agency's programs, structure and environmental concerns. It is thus a corollary to the previous category--the subject matter, as it were, of Board Educating. With the highly evolved committee structure at the Society and the CEO's attention to educating the trustees, it should not be a

Table 24
Comparison of Board-Executive Relationship

Categories	Sites			
	Network	Center	Society	Coalition
Bd. Educating	sporadic	sporadic	often	sporadic
Bd. Operational Awareness	moderate	high	high	moderate
Bd. Self-Monitoring	sporadic	sporadic	often	seldom
Chief Vol.'s Leadership	moderate	strong	strong	weak
Bd.-Executive Communication				
Volume	high	low	moderate	moderate
Substance	low	low	high	moderate
Bd.-Executive Role Expect.	well-defined	well-defined	well-defined	poorly defined
Bd.-Executive Congruence	high	high	high	high

surprise to see that the Board had a high level of operational awareness. The Center's Board members also had a very good understanding of what goes on internally at the agency and a better-than-average knowledge of external factors, due to their hands-on approach to governance and the longevity of many of the trustees. Another dimension of this category is the Board's comfort level with the amount of awareness it possesses, which was explored in my interviews. Again, I would rate both the Center and the Society as high; for the former agency, even though the information the trustees received through formal channels was frequently minimal, the data do not indicate this was a concern, except

for one trustee who expressed an interest in more details about the programs.

For the remaining two sites, there was a moderate level of understanding on the part of their respective Boards, with the Network's trustees having more knowledge about external matters such as funding and less direct knowledge about programs because of the Corporate Model's emphases and the Coalition's trustees being more aware of programs and less aware of finances. In terms of comfort level, the Network and the Coalition are rated as moderate since a fair number of trustees in each case indicated a desire to know more about operational issues. (A Coalition trustee: "I would like more information on new directions--a formal proposal, in writing, so we can make informed decisions." and a Network Board member: "I have some discomfort [about the amount of information], but I'm not sure what to ask for.")

A third category is *Board Self-Monitoring*, which focuses on the issue of internal controls and processes designed to regulate the Board's performance imposed by the trustees themselves. Here, we can look at frequency (How often does the Board monitor itself?) and comprehensiveness (How thoroughly does the monitoring process extend?) as the two main properties. On this score, only the Society had regular procedures for examining its Board effectiveness. For

instance, minutes were recorded for every committee meeting, and each officer and committee chair prepared end-of-year written reports. The manner in which the Nominating Committee functioned was of sufficient concern to warrant discussion at both the Future Planning and Executive Committees. The Society was the one site where all those interviewed ranked the Board as very effective. For the other sites, self-monitoring did not seem to have a high priority, although the Network and Center trustees took governance and committee responsibilities seriously, and there were formal nominating processes for Board members and officers in place at both agencies. In contrast, at the Coalition, just a few committees met on a regular basis, the nominating process was haphazard and when possible problems about the Board role were raised, most of the trustees denied or ignored the seriousness of the matter. Attendance at Board meetings was a discussion topic at one time or another at all four sites. While all have a provision in their bylaws for the removal of a trustee on the basis of non-attendance, ironically this authority was invoked only by the Coalition's Chair, toward the end of the observation period when the role and responsibilities of Board members were under scrutiny.

Even though most authorities agree that the board as a whole supervises the CEO in a nonprofit organization, the chief volunteer, whether called president or chair, and the execu-

tive often have a special association. For example, the board chair may be called upon to interpret the executive's actions to the other trustees, especially when a complaint or concern has been raised (Houle, 1989). Fram and Brown (1988) stress the importance of personal trust between the CEO and the chair in establishing a new culture under the Corporate Model, but it is just as significant when the agency operates under the more traditional governance structure:

The way the board chairman and the agency administrator work together is a major factor in agency operation. If their relationship is a good one they can be fairly sure they will set a pattern for other relationships throughout the agency. If it is a poor one, this also will be influential. (Trecker, 1971, p. 114)

At the Center, the Society and the Coalition, the relationship between the CEO and the Chair/President was respectful and warm, but at the Network, the element of cordiality was frequently absent.

Of equal importance to organizational stability is the quality of the chief volunteer's leadership, the aspect addressed in Table 24. Although Trecker (1971) speaks of the administrator and board chair as the primary leadership team, with joint responsibility for "giving leadership to, defining, and realizing agency purposes" (p. 115), Carver (1990) separates the leadership roles of the two. To him, the CEO is responsible for achieving the ends set by the full board within certain specified limitations; the chair's

main function is to ensure the "integrity of board process,....[which requires] an ability to fairly but firmly lead a group to confront and even to welcome its diversity and to adhere to agreed-upon rules for board conduct" (p. 153).

Here, the data demonstrate that personal warmth between the chief volunteer and the chief administrator can support the former in his or her efforts to provide direction to the other trustees but is not sufficient to guarantee it will happen. At the Coalition, despite a deep bond between the Chair and the CEO, the Chair proved unwilling or unable to exercise this kind of leadership, and so the CEO felt compelled to step forward and become the dominant figure. On the other hand, at the Network, although the Chair saw herself as a leader, the strain in her relationship with the executive sometimes created a barrier. For instance, at one committee meeting, the Chair proposed a fund-raising idea two or three times that was virtually ignored by the other trustees when the CEO not-so-subtly indicated she did not think the suggestion was feasible. For the remaining two sites, the strength of the relationship between the President and the executive was mirrored in the strong leadership role taken by the chief volunteer.

When asked to identify the most important aspects in maintaining a sound board-executive relationship, the respon-

dents to the Board Questionnaire from all four sites mentioned the importance of communication more than any other element. Of special concern were frequency (How often was communication received?), comprehensiveness (How thorough was it?), directional flow (Did it originate from the executive? from the board? from both?), specificity (How detailed was it?), timeliness (At what point was the information transmitted?), quantity (How much information was transmitted?) and substance (How important was the information that was communicated?). As noted above, each Board's comfort level on operational awareness was linked to the information received from the executive.

Table 24 considers but two of the properties of communication, volume (quantity) and substance, but several others have been touched on in earlier parts of the chapter. In sheer amount of material, the Network's CEO provided the most, and the Center executive, the least. The Society and Coalition CEOs sent out a moderate number of mailings; both tended to convey a good deal of information verbally at meetings, which was supplemented with handouts, especially at the Society. However, regarding substance, the outcome is rather different. Now, the Society executive ranks high, and the Network CEO, low. The former was uniformly praised for his accessibility, especially by current and former members of the Executive Committee and committee heads. For

the latter, her reports to the Board were criticized for conveying general news about staff and programs but little if anything about any real issues. The Center executive also failed to provide much substantive information in most cases, but even though more than a few Board members felt he manipulated them, there was no specific reference to communication as a deliberate technique. Information from the Coalition's CEO varied widely, with some topics covered almost in too much detail and others glossed over in a casual manner. While some trustees felt it was a question of control--that quality, quantity and timeliness were all tied to how important a given subject was to the executive--they shared these views with me privately or with each other in the absence of the CEO but never directly with her.

After communication, the respondents to the Board Questionnaire identified mutual respect as the second critical ingredient in maintaining a sound board-executive relationship. One of the Coalition's trustees then equated respect with "clearly defined responsibilities for both." These two elements taken together constitute my operational definition for the category of *Board-Executive Role Expectations*. Here, some of the important properties are clarity (How well delineated are the expectations for board and CEO?), consistency (Do the board and executive carry out their defined roles in the same way from situation to situation?), comfort

level (How appropriate do the board and executive find the roles and responsibilities that have been assigned or fallen to each?) and reciprocity (Do the board and executive hold similar views on their respective roles and responsibilities?). The highest degree of clarity, consistency, comfort level and reciprocity was found at the Society, as captured in this trustee's comments:

The Board has always enjoyed a good working relationship with its Executive Director and frequently policies are set together. The Executive Director may **initiate** the need for a certain policy because he handles the day to day operation. For example, people were donating inappropriate items to the [agency] causing us a disposal problem and this took staff time too. So the Executive Director recommended to the President a policy for us to inform the public.

Due to the Corporate Model, the Network also seemed to have well-defined expectations for the Board and CEO, but some trustees continued to be uncomfortable about their distance from program even though they understood and accepted the need for this.

At the Center, role expectations appeared to be clear, consistent and reciprocal, but the comfort level was not always high for at least a few of the Board members, who expressed concern about the CEO's penchant for "keeping secrets" and then "springing surprises" on the Board. Finally, at the Coalition, certainly as the year progressed, I found role expectations to be poorly defined and inconsistent. Although the Board and executive held quite simi-

lar views about what their respective roles should be, there was increasing tension between them over the actual distribution of organizational responsibilities. The frustration the CEO was experiencing due to this situation, coupled with a kind of sympathy for the trustees' position, was evident in her remarks at the May Board meeting:

The only thing that places the agency in some jeopardy is that it's so staff-oriented. You people really have no idea of the time and energy staff must put into the agency for the agency to operate....There seems to be some kind of blockage to feeling membership here, to feel as if you're part of this thing. I don't think it's the structure. I think it's one of those really intangible things of how you feel you really belong and what are you going to get intrinsically from this.

Sadly, even after pinpointing the problem, the executive had no solution to offer that would change the status quo, and the one Board member who did propose some concrete steps ultimately resigned when she could not rally the others round her.

In the perfect organizational world, the board and executive would exist in a state of total harmony. The category of *congruence* deals with agreement, or the fit, in philosophy and style between the two halves of the leadership team. The main properties are degree (What is the level of agreement between board and executive, from high to low?), frequency (Do they agree often or seldom?), range (Does the agreement cover most areas of operations and governance? some? few?), and relational quality (Do they enjoy a posi-

tive or negative personal/professional association?). It was best captured in the remarks made to me during my interviews at the Society. When the current Board President was asked to comment on the executive's decision-making style, she said, "He is conservative by nature and the Board is mainly conservative, so when ideas are presented, the Board knows much thought has gone into the process and therefore is open to the ideas." For his part, the CEO is aware he is in an enviable position and to a certain extent attributes the Board's level of comfort with him to his style:

I'm not the impetuous type! I think it is my style to be deliberate, but this is the first position in which I've had to deal directly with a board, so I don't know if I changed my style to fit this agency or if I've always been like this.

Congruence was also apparent in the reliance at the Network on process and procedure by both the CEO and the Board. This was the only site that engaged in formal goal setting on a regular basis, with the expectation the executive would report on outcomes annually, and it was entirely in character for the Board to request the development of guidelines to cover mergers once that issue surfaced at a Board meeting. At the Center, one trustee might have been speaking for the whole group as well as the CEO when he offered these precepts for a smooth operation: "Keep the bureaucracy small; do most work in committees; make most decisions at executive committee level; use whole Board for information

dissemination not debating issues." And even at the Coalition, in spite of the strong rhetoric about the need to clarify roles and responsibilities, the failure of the Board to support D. on her suggestions for change indicates to me that fundamentally there was a good fit between the two halves of the leadership core, that is, the trustees wanted the CEO to be the driving force and she was quite willing to comply.

As indicated in the individual chapters on the sites, at least two items on the Board Questionnaire were intended to explore views on the division of labor between the Board and executive. I also approached this topic in one section of the interviews with the key leaders. In each case, I presented two vignettes dealing with situations that might take place in a nonprofit agency and asked the person to describe the likely scenario if the incident were to occur in his or her setting. The first vignette concerned a financial problem (the loss of a major grant); the second, a personnel matter (the discharge of a key staff member). The responses provided good insight into the two categories just delineated, Board-Executive Role Expectations and Board-Executive Congruence, and also supported my findings on the category of Executive Assets.

Across the sites, there was a high level of agreement between the Board members and the CEO on the approach that would be taken in both cases. On the personnel matter, uniformly the interviewees saw the executive as having primary responsibility for investigating the possible ramifications, including legal questions, and then presenting the matter and recommended course of action to the appropriate committee(s) and ultimately to the Board. Many of the Board members noted the trust factor, based on the executive's longevity with the organization and his/her reputation as a seasoned professional. For instance, one of the Society Board members remarked that there would be "no repercussions here because of the reputation of the Executive Director; for a newer executive, it would be seen as more serious." For the financial matter, while a few trustees indicated that fund raising was a Board responsibility, to which the executive contributes by providing information, the majority once again placed the burden on the CEO to exercise leadership--to look into the situation, develop recommendations and then move through the general path of communicating with the Board President, relevant committees and then the full Board.

After inquiring about possible scenarios, I next asked two direct questions about events with successful and unsuccessful outcomes during the tenure of the current executive

and the contributions of the Board and CEO to each event. At the Network, the trustees identified the successes as programmatic growth; a greater presence in the community, both in geographic coverage and from a marketing standpoint; expanded fund raising efforts; the new organizational structure (Corporate Model); a smooth operation; and "getting through a difficult last year without major staff problems." Some saw these successes as the result of joint efforts by the Board and the CEO, but most attributed the positive outcomes to the executive ("She gets on an issue immediately"), especially in the areas of program development and marketing ("She represents the agency well in the community"). All agreed the one "non-success" was the agency's past financial difficulties, but there were differing opinions about the source of the problem, with some blaming the economy, some the Board for "falling down on the job" and at least one suggesting the executive might have been able to anticipate the situation before it reached major proportions. There was a sense that everyone had learned a valuable lesson through the experience. The CEO identified the same successful events but graciously claimed teamwork with the Board as the primary reason for the good outcomes. For her, the area of greatest difficulty had been the establishment of the Corporate Model as the new governance approach, and on a personal level, she faulted herself for being "overly prone to process," that is, for waiting too long to

act in some situations.

The successes at the Center, from the trustees' standpoint, included the completion of the new building; the expansion of programs, especially for the mentally retarded ("We're on the cutting edge"); the agency's reputation in the community; and the high respect for the programs on the part of regulatory groups. In terms of contributions, most saw the Board as the supporting player to the executive's star role ("He holds it together"). As one noted, "[The CEO] deserves most of the credit for the expansion; he is alert to programs to add and to the dollars." Regarding less successful outcomes, one person spoke of the difficulty in general of obtaining endowment monies, and another was concerned about staff morale and also felt certain programs had faltered. A longtime trustee picked up this theme about programs, saying quite wistfully: "We have lost our way. We have moved away from the settlement house [tradition]. Most group work is gone, and we used to take the lead role in programs." No one blamed the executive for these problems, except possibly in the personnel area. The individual who mourned the loss of group work indicated the "Board made a conscious decision to get programs that would pay their own way." The executive also listed program expansion among the successes, along with an improved reputation in the community and more and a better mix of funding sources. He acknowledged his

primary role in all these endeavors, with support from the Board. On the negative side, he saw the lack of a strategic plan as the basis for the agency's haphazard growth, which in turn contributed to the low staff morale, but since this was an internal problem, it had not had a major impact overall.

For the Society's trustees, the successes included service expansion; the quality of the programs; the excellent relationship between the executive and the regulatory agencies, with the high occupancy rate as one result ("They use us as a showcase"); "a clean bill of health"; fiscal strength; and the shift to a greater emphasis on foster and adoptive care. One viewed the major success as "bringing the agency into the 21st century. The agency is positioned as a well-known, well-respected provider both county and statewide." With regard to the contributions by the Board and the CEO to these successes, most gave the major credit to their professional: "He has driven the process." Said one, "The Board sets the expectations and tone for the Executive Director's performance but doesn't get into day-to-day details. The [CEO] has the vision....He knows the field well and keeps up on trends." No one could identify any significant problem during the current executive's tenure, with the possible exception of a high turnover of staff, which was due to economics and therefore had just about corrected itself in

the last year or so. The CEO focused on the programmatic areas of success for the agency: "We are doing a good job with the children and their families. We have made a difference for the clients, and they're better off." He saw his role as setting standards and expectations for staff and providing the necessary resources to do the job, and the Board's primary contribution as demanding excellence of him. For a "non-success," he mentioned a staff problem involving sexual abuse of a child that he felt might have been prevented had he interpreted the signs correctly, but he indicated the Board had been satisfied with the way the matter was handled.

At the Coalition, the Board members identified the successes as the large number of programs and services; the wide reputation of the agency locally and statewide; the number of grants obtained and new sources of funding; and the educating of the public about child abuse, which has raised the agency's level of credibility. Once again, the executive was given most of the credit for these achievements, with one trustee describing her admiringly as a "hustler." As to less successful outcomes, there was agreement that finances are not the executive's strength. Because the CEO relies on the office manager in this area, who herself is not a bookkeeper, the result has been fairly serious miscalculations and oversights. Like the Society's CEO, the

executive at the Coalition stressed the success in programs and also cited the greater professionalization of the agency, which she acknowledged was her doing. She identified two less successful outcomes, a rather costly error with the phone system and early in her tenure, the problem with the multi-agency program that is described in Chapter Seven. The former has not had any long-term aftereffects, but the latter incident did cause the executive to become, in her words, an "isolationist," who is very wary of collaboration. In consequence, the agency has missed some programmatic opportunities.

In looking at the total picture, I found the level of congruence between the Board and CEO to be high at all four sites, as reflected in the same basic operating style for both (see Tables 22 and 23). This dimension of their association has the strength to outweigh the individual criticisms of the lack of involvement of the one or the performance of the other and thus allows the relationship to remain in a state of equilibrium, which leads me to believe this construct is the other key variable in the equation.

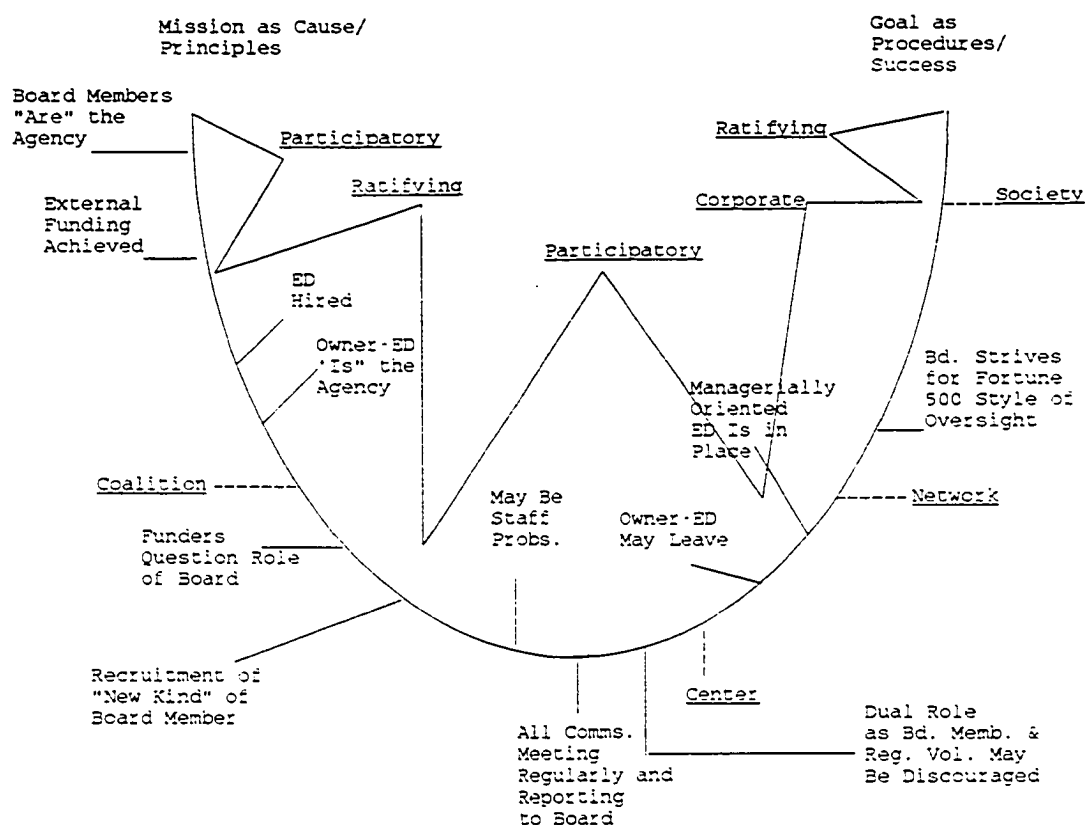
Concluding Remarks

An ongoing consideration in this study has been the place of each Board in its own life cycle, which is predicated on the idea that growth and change are processes that occur over

time "from a perceived need to re-establish a satisfactory balance between the board and the rest of the agency or between the agency and the external environment" (Wood, 1989, p. 18). Another way of comparing the four sites then is to examine their relative positions on that evolutionary continuum (Figure 5). One important caveat: While many boards pass through these developmental stages as described, the process is not inevitable and will not necessarily follow the same steps in every case. Some boards reach a particular point and may find no need to, choose not to, or are unable to make further changes (Mathiasen, 1990).

Not only are there different phases of development, Wood (1989) suggests there is also variation in the operating styles boards select as they evolve. With the ratifying style, a board functions more or less as a rubber stamp of the CEO but may also serve as a sounding board. A board that uses the corporate style tends to play a significant role in decision making together with the executive. Under the participatory style, the board may act independently of the CEO to gather information and may contradict or even override the executive's decisions.

Figure 5
Comparison of Developmental Stages
and Operating Styles



Adapted from Wood (1989, p. 15).
 Used with author's permission

Moving from left to right in Figure 5, I have placed the Coalition's Board at the point where the "Owner-Ed 'Is' the Agency," in recognition of the strong role played by the CEO in that setting. The Board has for the most part adopted a ratifying style in their interactions with the executive, signifying they are essentially a rubber stamp in the decision-making process. At present, I believe the Coalition is content to stay in this position; it may take the departure of the CEO or some similar crisis to propel them forward. The Center's CEO combines the qualities of the Owner-ED and the managerially oriented executive, which accounts for the placement of this site on the continuum. Committees are in place, meeting regularly and reporting to the full Board. Because the trustees still are primarily driven by the agency's mission, their style of interaction with the CEO is more of a composite of participatory, corporate and ratifying, as the situation seems to demand, with perhaps a tendency toward the ratifying mode.

I have placed the Network a little further along toward the end where the pursuit of goals is a measure of success, as befits the agency's adoption of the Corporate Model as the governance structure. More of its trustees fit the image of what Wood (1989) calls the Middle-Aged Professional (MAP), who "conceives of his or her board activities as altruistic, civically valuable, and at the same time a form of self-

enhancement" (p. 8). Further, she notes that MAPs depend on "the rationality implied by bureaucratic structure and process" (p. 8). Their operating style is, of course, corporate, although on rare occasions I observed a move toward the participatory style.

Finally, with the Society, we come almost to the far right of the model, in terms of the strength of the committees, the Board's deep involvement in fund raising and its very size. In many ways, it has the characteristics of an institutional board, given that it is comprised of many prestigious individuals from the community who have the capacity to donate money themselves or obtain funds from donors and relies on advisory committees to help carry out its work (Mathiasen, 1990). However, this Board also demonstrates that no general model can accurately describe all possibilities, for the agency's mission remains a major driving force at the Society. With regard to style, the trustees operate almost exclusively under the corporate mode.

From this discussion of the placement of the four organizations along the board life cycle continuum, once again we see the value of a multi-site study in exploring new theoretical territory. Employing an iterative analytic process yields a richness of data that would otherwise not be available, and triangulation of data sources increases the over-

all credibility of the findings (Eisenhardt, 1989; Patton, 1980).

CHAPTER NINE: SYMBIACTIVE MANAGEMENT

Introduction

Through the iterative analytic process that is at the heart of a grounded theory study, relationships among the various categories become clearer and clearer, until one, overarching category emerges that describes the central phenomenon. In reaching this stage of broad conceptualization, the researcher makes a commitment to a specific theoretical framework both derived from and validated by the data (Strauss & Corbin, 1990).

In this chapter, I will lay out the theory of Symbiactive Management, the name I have chosen for the core category, and support my conclusions by the use of replication logic (Yin, 1989). Simply put, I will demonstrate how the data collected from the four study sites have led me to the answer to the research question I initially posed: Are there distinct behavioral patterns that can be discerned in the board-executive relationship around issues of governance and decision making and if so, what are the causal factors associated with each of the different patterns? I will also compare this emergent theory with the extant literature in an effort to enhance its internal validity and generalizability (Eisenhardt, 1989).

Clustering

In the last chapter, I introduced a number of categories that illustrate various aspects of the behavior of the Board, the executive and their interrelationship through a cross-site analysis. For the most part, the identification of these categories was a matter of placing labels on phenomena that had already been noted in the chapters on the individual agencies, but in addition, some new aspects were presented and others were more clearly delineated by combining discrete behavioral elements (for example, Board Education and General Stability). As the next step, the categories can be combined in logical ways to bring out the underlying patterns:

Clustering is a tactic that can be applied at many levels to qualitative data....In all instances, we are trying to understand a phenomenon better by *grouping*, then *conceptualizing* objects that have similar patterns or characteristics....Clustering can also be seen as a process of moving to higher levels of abstraction.
(Miles & Huberman, 1984, p. 219)

From all the categories, three stand out as particularly significant in explaining the board-executive relationship in non-profit organizations: Agency Context, Board-Executive Congruence and Executive Assets. How they fit together in the theory of Symbiactive Management will be discussed in the next section, but first we will look at the relationship of the remaining categories to these constructs. (Table 30 in Appendix B provides a summary of the categories within clusters.)

Agency Context focuses on an organization's internal and external environment. Here, there are five related constructs--Board Composition, Board Size, Organizational Effectiveness, Organizational Identity and Style. Board Composition takes into account the gender, ethnicity, age and occupation of the trustees; Board Size is self-explanatory.

Organizational Effectiveness has been a focus in the professional literature for the past several years, but I have found many writers equating the term with the ability to attract scarce resources (for example, Provan, 1980; Herman & Tulipana, 1985; Herman & Heimovics, 1991), which I believe is too narrow a reading. My viewpoint is captured by the two categories, Financial Stability and General Stability (see Chapter Eight for definitions and discussion); the elements of both need to be taken into account. Even Miller (1988), who has identified five outcome measures for effectiveness: overall funding adequacy, service quality, reputation among agencies, image in community and funding success with different sources, tends to give most of his attention to the more quantifiable determinants and does not mention the strength of the board-executive relationship itself, a factor I feel is key, or the legal and regulatory aspects I have included.

In fact, two of Miller's (1988) measures, reputation and image, represent the external dimension of the fourth component of the agency's context, Organizational Identity, which is treated in depth in Chapter Eight. Although I considered the possibility that Organizational Identity might simply be an element of Organizational Effectiveness, based on the data I have collected and practice experience, I am treating them as related but mutually exclusive terms. The Network, for instance, meets virtually all my criteria to be rated an effective organization, but it does not have widespread name recognition in the community, as was discovered in the failed attempt at a capital campaign.

On the other hand, the Coalition offers an illustration of an agency whose external reputation is solid even though its financial health is questionable and the nature of the board-executive relationship remains a debatable issue. At the special Executive Committee meeting in June, D. tried to persuade her colleagues to engage a consultant who might help the agency work out its problems and suggested the United Way might be willing to underwrite the cost: "The United Way doesn't know how the Board has fallen down on the job. The annual submission [a self-assessment that each member agency submits] glosses over the problem. The United Way thinks this is a functioning Board, that the agency is healthy." However, I am more inclined to think that even if

the United Way were aware of the internal situation, support would be continued because the agency's programs are so strong, and no one else provides those services. Similarly, E., the Coalition Board member who is also a funder, seems able to compartmentalize her roles and thus avoid the possible consequence of having to fill the service gap if pressure on the CEO to change were to force her departure, which at this time would certainly jeopardize the organization's ability to survive. In this case, then, we see that a strong Organizational Identity seems to exist apart from Organizational Effectiveness, in its broadest sense.

The last of the constructs under Agency Context is Style, which I have previously defined as referring to the characteristic manner in which a board operates. Style is derived from organizational rules, norms and practices as influenced by personal and group values, beliefs and assumptions, and encompasses such areas as Participation, Formality and Committee Structure. For example, the Center Board's free-wheeling style is the result of having a substantial number of trustees in place over a long period of time whose connections with each other transcend this single relationship and whose primary satisfaction as trustees stems from the close association with the community and the enduring settlement-house ideology. In the Coalition's apathy, the button-down atmosphere of the Network or the gentility that

characterizes the Society, it would be hard to imagine the individualistic behavior that is common at the Center.

Kramer (1965) notes that trustees' duration of membership and motivation for participation are two variables that can influence the power balance with the CEO. Out of such views in the literature and my own practice experience, I had expected to find at the study sites evidence of these board characteristics having some impact on the relationship within the leadership core, but with one exception neither one proved to be very important. Thus, there was no significant difference between the attitudes toward the executive of those who were new to the Board and those with some degree of longevity. That is, except for the Society, where the opinions of the CEO were uniformly high, virtually every negative view by a new trustee was offset by a positive comment from another newcomer, and the same was true among those with several years of service.

As for motivation to serve, the data support the findings of Fink (1989), whose five-year study of community agency boards revealed that by 1986, the trustees had a "decidedly middle class profile" and a "mixed set of motives....Among these were the fulfillment of a sense of civic duty, the desire to be involved in a community service activity with which the individual identified personally, and the personal

rewards of sociability through participation" (p. 96). The respondents to the Board Questionnaire at all four sites checked "We perform a useful service" as the primary motive for being a trustee. In the aggregate, the responses were almost evenly divided between service-oriented items and those reflecting personal needs and interests at the Network, the Center and the Society, but at the Coalition, two-thirds of the responses were related to service.

This self-depiction of the motivations for Board membership is especially revealing for the Coalition. Widmer (1989) suggests a typology of boards based on trustees' perceptions of the different incentives offered for participation. The "bureaucratic board" offers mainly employment-related incentives, the "activist board" focuses on ideological incentives, and the "volunteer board" offers the opportunity to fulfill civic obligations. The Society would fit the description of the volunteer board while the Center has an activist board. The Network's Board is a combination of these two types. At the Coalition, however, there appears to be a dichotomy between perception and reality, a quality noted at several points in the profile of this site (see Chapter Seven). Despite the expressed reasons for volunteering, which would tilt the agency toward the volunteer type of board, in actuality the trustees closely match the profile for the bureaucratic board--most members are em-

ployed by other community agencies connected in some way to the board agency, meetings tend to be short and held during business hours, etc. Although business-related incentives are downplayed, many of the trustees serve on the Coalition Board as their employers' representatives, which makes this site the only one where the reasons for board participation have affected the interaction with the executive. The role conflict stemming from Board members' reliance on the Coalition for service to their own clients or organizations definitely is a factor in their ceding to the CEO so much decision-making authority, for as Senor (1963) indicates, "the more the board members seek or expect allocations from the agency..., the more the executive holds a pivotal position of power" (p. 24).

The second key variable in the theoretical formulation is Board-Executive Congruence, which includes the related constructs of Board Empowerment, Board-Executive Role Expectations and Chief Volunteer's Leadership. Since all but the first category have been treated fully in the previous chapter, I will concentrate here on the new term. I have grouped the already familiar conceptions of Board-Executive Communication, Board Educating, Board Operational Awareness and Board Self-Monitoring under the rubric of Board Empowerment, which addresses the responsibility the CEO has "to assist...board volunteers in succeeding in the pursuit of

the lawful purpose, goals, and objectives of their organization" (Conrad & Glenn, 1976, p. 88). Some of the properties of this category are degree (How much power does the board hold?), scope (Do they exercise power in all matters, in limited ways or something in between?), frequency (How often do they display their power?), and manner (Is this exercise overt, subtle or shadings of the two, and under what circumstances?).

On one level, Board Empowerment is consistent with the recent work of Herman and Heimovics (1990). In a study on leadership skills, they found that those CEOs who are judged by other executives to be highly effective provide significantly more leadership for their boards than those considered less effective. Furthermore, since executives are generally held responsible for organizational outcomes, for both ethical and pragmatic reasons, it is in their own best interests to help their boards be productive, rather than relegate their trustees merely to rubber-stamping. Kramer (1985) notes "these two extremes reflect the strain between a technocratic and a democratic ideology" (p. 22) and goes on to say there is some impressionistic evidence to support the belief that while the democratic ideology is the official position, many CEOs have embraced a technological stance. For the four study sites, I would place the executives on a continuum from *democratic* to *technological* as

follows: the Society, the Network, the Center, the Coalition. But in defense of the Coalition and Center executives, I believe there is also a board responsibility to be empowered. If trustees choose to sit back and by their withdrawal encourage the CEO to be the primary decision maker, it becomes very difficult for the executive to overcome this laissez-faire attitude even if he or she is committed to doing so. I have included the category of Board Self-Monitoring under this heading rather than as part of the organizational rules and practices within Agency Context to emphasize the two-way nature of Board Empowerment.

The third and last major cluster is around the theme of Executive Assets and incorporates Positional Power, Style and Tenure. Positional Power and Style, which in this context refers to the CEO's fundamental manner of handling the job, are both a restatement and an elaboration of the five bases of power identified by French and Raven (1959) in their classic article. Even though their study of power focused on an individual, P, and the influence of a social agent, O, which could be "another person, a norm, a group or a part of a group" (p. 151), I think their conclusions that several sources of power seem to operate simultaneously and that power must be defined in terms of a specific system are equally valid when we make the target of influence a group.

Positional Power incorporates many aspects of French and Raven's (1959) power bases of reward, coercion and legitimacy. In this case, we are looking at what the position of CEO confers on the individual from a structural point of view, internally and externally. Within the organization, the executive has considerable influence on the appointments of trustees to different leadership posts, whether overtly as at the Network and the Center or more discreetly as was true at the other two sites. Outside, "as a gatekeeper, the executive provides access to recognition and prestige for persons whose names can be proposed to nominating and other committees which continually seek volunteers for community service tasks" (Kramer, 1985, p. 21). If the local agency is affiliated with a regional or national body, the choice of board members to be delegates to various gatherings is often determined by the CEO. The importance of such perks was made clear when the Board President at the Society indicated that her only "criticism" of their executive was his fear of flying, which reduced the number of events he was willing to attend outside of the immediate vicinity and therefore reduced their opportunities to accompany him. Obviously, the executive who is able to confer these kinds of rewards on favored trustees is also capable of withholding them from board members who are less well regarded (Senor, 1963).

Legitimacy as a power base really straddles these two categories since it encompasses both structural and psychological elements. On the one hand, French and Raven (1959) note that "legitimate power in a formal organization is largely a relationship between offices rather than between persons" (p. 160). At the same time, Style contains the full range of personal and professional attributes the executive brings to the leadership role, calling into play the remaining two power bases of referent power and expert power, with the first pertaining to the degree of P's (the target of influence) identification with and attraction to O (the influencing agent) and the second, to the amount of knowledge and awareness of a given area that P believes O to possess (French & Raven, 1959).

For the study sites, the combination of legitimacy, personal identification and expertise revealed some interesting variations. All four of the CEOs were rated by their trustees as highly competent professionals who know their respective service areas. As a result, there was a strong degree of trust in the recommendations each CEO presented to his/her Board. Yet, even though the Network's executive placed the most emphasis on her formal position within the Corporate Model, she was challenged by the Board when she seemed to be overstepping her authority, as they interpreted it, for instance, in the merger question. Conversely, at

the Coalition, where the CEO appeared at Board meetings in casual attire and never made open references to her position, the trustees tended to defer to her on all issues, despite the fact that more of them were knowledgeable about social services from their own professional work than in the three other sites where far fewer nonprofit employees were represented. Senor's (1963) work suggests that professional ethics may be operating in the latter case, but I believe it is a matter of a strong identification with the executive coupled with her personal charisma overcoming the better judgment of the trustees, who showed repeatedly in their answers to the Questionnaire that they understood the responsibilities of a board.

In their use of information, the Center and Society CEOs offer a dramatic contrast. From my observations, both recognize that "control of the means of communication is one means of increasing power" (Brager et al, 1987, p. 250). The Center's executive applied that principle by withholding a good deal of information from his Board so that he became the primary interpreter of the facts; as a result, decisions reached by the trustees were sometimes more of a referendum on the CEO. However, the Society's executive preferred to lay out the details of a particular situation and lead his Board to a logical conclusion, relying on professional credentials to obtain the decision he felt was best for the

organization. Yet, even though communication was mentioned as an important characteristic of a sound board-executive relationship by the trustees of all four sites, neither of these Boards commented on the executive's specific approach. Perhaps given the CEO's association with his agency of twenty years and fifteen years respectively, there was simply an acceptance of the usual way of doing business. Since the final construct in this cluster, Tenure, has been discussed at some length in Chapter Eight, here I would just point out that length of service seems to enhance the impact of both Positional Power and Style. "Presumably, the longer the duration of...service, the greater [the] influence" (Kramer, 1985, p. 20; see also Hollander, 1978, on the concept of idiosyncrasy credits).

Before leaving this section, I would like to comment on age and gender as they relate to Executive Assets. Neither was raised explicitly by the participants in my study as a concern, but the professional literature has certainly addressed questions of gender and leadership, and if experience is substituted for age, that too has drawn some attention. Regarding age and/or experience, the only clue to its importance for the trustees at the study sites lies in the identification of prior experience as a key characteristic of a good executive (except at the Coalition) on the Board Questionnaire, and as a persuasive factor in the hiring of

the current CEOs at the Network and the Center and a limited factor in the hiring of the Society's executive by the few respondents to this item. Although the data are not conclusive, a perception seems to be operating here that age, experience and competence are interrelated; in any case, with all of the CEOs being in the middle to late stages of their careers, age was a non-issue.

Prior to the start of my investigation, I had considered a focus on gender, and I initially thought I would have a perfect 2 X 2 matrix for its study. Unfortunately, a change in the Board Chair at the Network from male to female destroyed that symmetry, so I can offer only general observations. Recent articles (Billard, March 1992; Grant, 1988; Rosener, November-December, 1990; et al) have suggested there is a difference in the way men and women lead, or at least in the way they are perceived as managers. According to this view, women tend to be more interactive, sharing power and information, while men rely more on control. Of the four CEOs in my study, the one who best fits the description of the so-called female style is the male executive at the Society. The Society's CEO is held in high esteem by his all-female Board for his professional skills; gender does not appear to be a significant determinant. Supporters and critics of the other three CEOs can be found among both female and male trustees, often citing almost the

same reasons for their opposite opinions (see the individual chapters for specific examples).

The Analytic Story

As the final step in the integrative process, the researcher must formulate and make a commitment to a single story line that presents the central phenomenon of the study in a conceptual way. It is necessary to develop the core category, give it a name and explain how the other categories that have been identified relate to it (Strauss & Corbin, 1990).

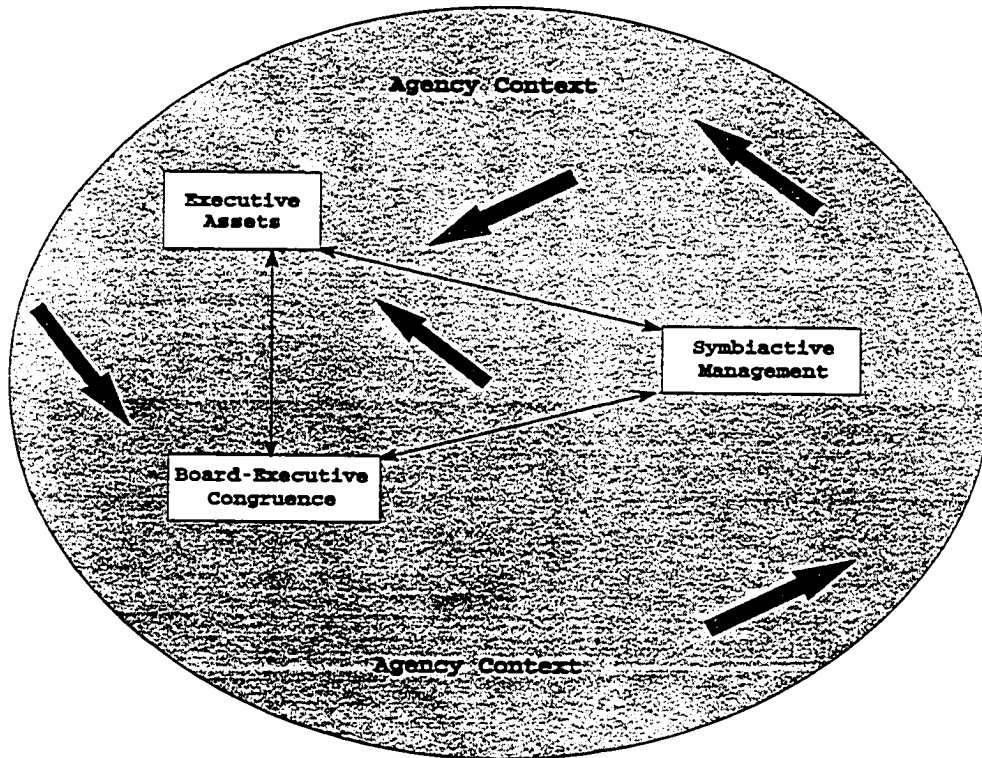
In this study, the focus has been on successful board-executive relationships, that is, on associations of some duration that appear to be positive and mutually satisfying to all parties, in relatively stable organizational settings, in the hope that learning more about such relationships will increase our general understanding of the interactions within the leadership core. I have chosen the name *Symbiactive Management* for the core category. The first part of the term is obviously a combination of *symbiotic*, which is defined as "pertaining to an interdependent or mutually beneficial relationship between two persons, groups, etc." and *active*, which encompasses two meanings: "requiring personal effort or attention" and "engaging in productive movement." The second part, *management*, represents in this context "the judicious use of means to accom-

plish an end." Taken together, Symbiactive Management (SAM) describes both a state of being and a process whereby the board and executive form a voluntary, interactive alliance that is gratifying to both for the purpose of carrying out the mission of the organization in an efficient and effective manner.

Figure 6 provides a schematic look at the SAM theory. The categories of Executive Assets and Board-Executive Congruence also serve as properties of the core category, and each has a dimensional range as shown. These properties interact and act in combination to create the SAM state. However, once SAM is established, it takes on its own existence, so that it is more than simply the sum of its parts. At the same time, the three elements are embedded in the Agency Context, which is the total environment, composed of all the external and internal forces affecting the organization: "context represents the particular set of conditions within which the action/interactional strategies are taken" (Strauss & Corbin, 1990, p. 96).

From my data, I have identified two types of conditions, which I call *events* and *circumstances*. An *event* is a one-time occurrence that has impact for the moment but generally does not influence the organizational climate on a

Figure 6
The Analytic Story: Symbiactive Management



Property	Dimensional Range
Board-Executive Congruence	high.....low
Executive Assets	strong....weak

Possible Patterns

- (1) The High Board-Executive Congruence, Strong Executive Assets Pattern
- (2) The High Board-Executive Congruence, Weak Executive Assets Pattern
- (3) The Low Board-Executive Congruence, Strong Executive Assets Pattern
- (4) The Low Board-Executive Congruence, Weak Executive Assets Pattern

continuing basis, even though it may have serious overtones. An event may also be cyclical. Examples of events at the Society would be the annual Associates Luncheon and a lawsuit by a former staff member alleging discrimination in his dismissal. In contrast, a *circumstance* changes or shapes the climate over time. For instance, the high regard in the community toward the Coalition's programs and the cutback in its United Way allocation would be circumstances for this agency. These internal and external conditions can and do permeate the boundaries of the two properties, thus influencing the options and behaviors of the board and the executive. SAM too can be touched by the forces in the Agency Context, which may then cause a reversal of energy to one or both of the constituent properties.

An illustration from my own practice experience may be helpful at this point. Some years ago, I was hired to be the CEO of a small youth agency, as its first female executive. Within a short period after I joined the organization, a major bequest was received from a donor who had given only small sums to the direct mail campaign through the years. Although no one had done anything to secure this gift, the board (mostly male and from the business community) persisted in attributing the agency's good fortune to me and decided it was a sign of better things to come, despite my attempts to keep the matter in perspective. About two

and a half years later, I hired a new director for the camping program, who turned out to be a bad manager and deceitful to boot, a situation that resulted in my firing him once I discovered the truth. This time, the board chose to blame me for what happened, even though I had followed the usual practices before hiring the individual and corrected the problem as soon as I could. Their overreaction confirmed for me that there was a low level of congruence with the board and eventually led to my resignation. Two things are important to note. First, it is possible for the executive and the board to perceive a condition differently even when the facts are not in dispute; here, I saw both the bequest and the personnel matter as events while the board viewed them as circumstances. Second, the board's view of the executive's assets, whether positive or negative, may be illusory but have the same potency as though their judgment were based in reality.

In many respects, SAM is a derivative of Lewin's field theory, in which the life space represents the totality of possible events and includes both the person or group and the environment, surrounded by a "foreign hull," a separate region that exists "outside and adjacent to the boundary of the life space" but that may influence it (Hall & Lindzey, 1957, p. 211). A major difference in SAM is that no distinction is made between the physical or social world out-

side of the life space and the environment that is part of the life space; it is all one. However, the concept of permeability holds for both. Another important similarity is that the two theories are grounded in the moment and action-oriented, that is, the description of behaviors or events pertains to conditions existing at that time only, though "attitudes, feelings and thoughts about the past and the future may have considerable influence upon...conduct" (Hall & Lindzey, 1957, p. 222), and it is subject to change as conditions are altered. Moreover, it is possible to depict SAM as Lewin depicts field theory: "*Field theory is probably best characterized as a method: namely, a method of analyzing causal relations and of building scientific constructs*" (1951, p. 45).

In recent years, Brager and Holloway (1978, 1992) have championed an application of field theory, *force-field analysis*, for assessing the prospects for change in a given organization. A central tenet of their application, SAM and field theory itself is that stability within a social system is a dynamic condition, the result of continuously operating forces arrayed against each other to produce a sense of equilibrium (Brager & Holloway, 1992). Tension within the system arises out of an unmet need. Since equilibrium is the desired state, positive forces will be brought to bear to release, or at least equalize, the tension and restore

balance, although it should be noted that a completely tension-free system is probably not achievable (Hall & Lindzey, 1957). In fact, it may not necessarily be desirable to eliminate all tension. For example, a constructive debate over a new programmatic direction proposed by the CEO can lead to a stronger conceptualization that both the executive and board can support.

How do these factors play out in theory? Returning to Figure 6, we see the different events and circumstances that form the Agency Context (represented by the thick, dark arrows) swirl around the two properties of Executive Assets and Board-Executive Congruence and SAM itself, which means that the leadership core will always be influenced by these elements at some level, consciously or unconsciously, positively or negatively, in their governance and decision-making activities. At one time or another, however, certain elements will emerge as more significant concerns, and others that were considered important may fade. Thus, at the Coalition, the question of clarifying the respective roles and responsibilities of the Board and the executive came to the fore just as the reorganization of the agency's programs, which gave rise to the new concern, was about to be resolved.

From the dimensional range of the properties, it is possible to find four distinct patterns: High Board-Executive Congruence, Strong Executive Assets; High Board-Executive Congruence, Weak Executive Assets; Low Board-Executive Congruence, Strong Executive Assets and Low Board-Executive Congruence, Weak Executive Assets. The first of these patterns is the most desirable, the one that guarantees enough strength to withstand any negative forces in the environment and bring about SAM, keeping in mind that SAM is both a process and a state of being. It is in fact the pattern that best fits the four study sites, even though there are variations within the pattern, as will be demonstrated shortly. It leads to the following proposition:

A high level of congruence between the board and executive coupled with the board's perception that the CEO's assets are strong enough to cope with the forces in the organizational environment will lead to a state of symbiactive management.

At the other extreme, the fourth pattern will create a very unstable organizational climate. Under these conditions, the executive's position could be quite precarious, for it may well be assumed by the board that the CEO is not up to whatever environmental challenges might present themselves. While noting the high rate of executive turnover "in industries with competitive environments and unstable market conditions" (p. 15), Salancik and Pfeffer (1977) indicate that in a number of cases, the administrator is perceived to

be at fault even when the instability is caused by factors outside of the organization and not subject to its control. Given that the board is legally liable for the fiduciary integrity of the organization, it is not surprising that problems related to finances (Financial Stability), legitimacy (General Stability) or the agency's reputation (Organizational Identity) may elicit a strong response (Golensky, 1988, in press). Based on these points, the following proposition is suggested:

A low level of congruence between the board and executive coupled with the board's perception that the CEO's assets are not adequate to cope with the forces in the organizational environment will lead to a serious rupture in the board-executive relationship.

One might speculate that the public dismissal of the former president of the United Way of America came about after a shift from Pattern #1 to Pattern #4, when it was no longer possible for the board to ignore the negative forces intruding on the organization.

The second pattern of high congruence but weak assets may enable an organization to appear solid from the outside, but does not create a healthy situation in the long run. Much depends on the personal feelings, especially of key trustees, toward the executive and the strength or weakness of the issues that the agency must address. The Coalition may fall into this category if the financial picture continues to deteriorate and the CEO is unable to find new sources of

income. At that point, the executive's well-regarded program skills may not be enough to hold things together, and her critics may be able to persuade a sufficient number of the other trustees that it is time for a change. This suggests the following proposition:

The nature of the board-executive relationship will be determined by personal feelings toward the executive and the saliency of the forces within the organizational environment when there is a high level of congruence between the board and executive coupled with the board's perception that the CEO's assets are weak.

Finally, we come to the third pattern, low congruence combined with strong assets. Here again, the kinds of forces facing the organization may well dictate the board-executive relationship. Mizruchi (1983) cites "poor economic performance" as the decisive factor in the ouster of several CEOs by their boards in large American corporations. Significantly, in at least two of the cases, media reports indicated that the boards had been unhappy with the executives' management style for some time but had not taken action until profits began to slip. This leads to the following proposition:

When there is a low level of congruence between the board and executive, the relationship will remain intact as long as the board perceives the CEO's assets to be strong enough to cope with the forces in the organizational environment.

However, should a perception develop that the executive's assets are not adequate to the task, Pattern #3 may convert

to Pattern #4; the board will then assume control and may seek to remove the executive or push for a resignation.

A useful metaphor is to think of a nonprofit organization as a sports team, with a "franchise player" (the CEO) and several "specialty team" players (the board). Just as a basketball team may have a shot blocker who is put into the game for defensive purposes or a baseball team may have a bunt specialist, a nonprofit board will include individuals who are there because of a particular talent, such as the architect on the Network Board who headed the ad hoc committee dealing with relocating the headquarters, or because of their standing in the community, which describes a number of the Society's trustees. With the board's expectations for the CEO, he or she may have to function as a player/manager, that is, be a part of the action but also be able to step back and assess or direct others. However, just as no team can function on the star's talents alone but may reach greater levels of performance if the key player sets the pace and provides emotional support, the executive must be mindful of group dynamics in working with the board.

The Network Story Line

The salient fact in this setting is the adoption of the Corporate Model and the impact it has had on the respective roles and responsibilities of the Board and the CEO. Al-

though some trustees still seem at a loss with the change from the more traditional approach to governance, the majority have adjusted and appear to be comfortable with the sharp demarcation between policy and operations. After a bit of a rocky start in her tenure, the President has consolidated her power through the new structure, and with more than six years as the executive, she has grown in stature in the eyes of most of the Board, who admire her general management and people skills as well as her ability to negotiate successfully on behalf of the agency with outside groups. Some trustees would like her to be an even more forceful presence, both internally and externally, although she already has considerable influence in the nominating process.

The high congruence between the board and CEO is reflected in their shared approach to the work of the organization through the assigning of specific tasks to the relevant part of the leadership team, and the businesslike manner both employ in carrying out these assignments. It is jointly accepted that individuals are recruited for the Board for the talents they can bring as much as for their commitment to the organization's mission, and trustees recognize they will be called upon as needed. The Board's reliance on the executive to provide relevant information, assess the different situations the agency is facing and offer options for

decision making is an indication of the trustees' belief in the strength of her assets.

The combination of the properties of Board-Executive Congruence and Executive Assets results here in a variation of Pattern #1 that I call the *partnership mode of interaction*. The board-executive relationship for this site is best summed up by Drucker (1990), who notes with regard to the leadership team, "they must be colleagues. Each has a different part, but together they share the play. Their tasks are complementary" (p. 10). However, because the relationship is based primarily on a mutual desire to achieve organizational goals, as opposed to strong ideological beliefs, deep-rooted traditions or close personal ties, both parties must strive constantly to maintain a comfortable balance within the framework of the Corporate Model, which sometimes results in a kind of dynamic tension between the Board members and the CEO (see Mausner, 1988).

The Center Story Line

Although the agency has been in existence for only fifty years, there is an atmosphere of solidity and linkage to the past that one might expect in a much older organization. This is attributable primarily to its roots in the settlement-house approach to service and to the lengthy tenure of a good number of the trustees as well as the CEO.

Because the Board members work and/or live in a single community, their ties frequently go beyond the Center; many attend the same churches, there are shared concerns about the schools and local government, and some maintain personal friendships. For several of the trustees, their involvement with the agency has been one of the most enduring connections in their lives. For example, two of the people I interviewed who are now in their 60's have served on the Board for over forty years, which means they have spent virtually their whole adulthood as trustees.

With a twenty-year tenure, the executive too has gained most of his professional experience and polished his skills in this one setting, under the watchful eyes of many of the present members of his Board. The psychodynamics of the resultant relationships with individual trustees would probably be worthy of a separate study! In terms of the CEO's relationship with the Board as a whole, there is a high degree of congruence stemming from this long history together and from a mutual adherence to the organizational mission. The majority of the trustees also view the executive as a more-than-competent manager and look to him for leadership on both internal and external matters. For instance, the CEO was the primary force in bringing the new building addition to completion.

At this site, I see a *supportive mode of interaction* between the Board and the executive, again a variation of Pattern #1. One need not spend much time studying the leadership core here to recognize how strongly the CEO influences the governance process. *Support* is defined in the dictionary as "to uphold and aid; to act with or second." This is an apt description for the manner in which the Board and executive relate to each other. According to Herman and Heimovics (1990), in nonprofit organizations, "chief executives occupy a place of psychological centrality. They are expected by others to take the burden of responsibility for organizational outcomes and they accept it" (p. 171). In a sense, these authors see the CEO through an entrepreneurial lens, as one who must "be willing and able to...take an unexpected path when it presents itself or make some necessary tasks move along a new path" (1990, p. 178). This is the role the Center's executive has adopted and the trustees expect of him on most issues: he leads, and they provide backup and encouragement.

The Society Story Line

If one were to characterize the ideal nonprofit organization, the Society would fit the description on almost every dimension. Here is an agency that has been successful in carrying out its mission for almost a century and a half, that presents a healthy financial picture in a very diffi-

cult economy, that is regarded highly by regulators, other nonprofits and the general community, that has the luxury of being able to consider possible expansion at its own pace. With its all-female, rather elitist Board, some might view the Society as a throwback to an earlier time, until one takes a closer look at what these trustees do for the organization. This site has embraced the idea that trustees can go beyond the governance function and play a much broader role, even in program areas, without compromising their ability to fulfill oversight responsibilities, certainly not out of necessity but more as a means of developing individual talents and increasing commitment to the agency (O'Connell, 1985). Thus, trustees run the direct mail campaign, work with the maintenance crew, maintain contacts with the media, and review client records, to mention just a few of their assignments.

The Society's executive has demonstrated his managerial acumen by fostering a climate in which the trustees can perform at a high level and gain much personal satisfaction, and he uses his educational skills to good advantage. Although operating with a very different style than his counterpart at the Center, the CEO at this site also fits the description of the effective chief executive as identified by Herman and Heimovics (1990) in his efforts to empower the Board, which their research has revealed as the

salient characteristic of the highly effective executive.

Yet, I would disagree with these authors on one underlying assumption of their recent study, that there is "ambiguity or dissensus about official roles" in nonprofit organizations (1990, p. 169). At the Society (and the Network and the Center as well), the respective roles of the Board and executive are clearly spelled out and practiced according to the written guidelines and traditions of the agency. In fact, much of the stability at this site can be attributed to the clarity of roles and responsibilities of the leadership core. Here, high congruence and strong executive assets converge to create a third variation, the *collaborative mode of interaction*, which is captured in the definition of collaboration as a "mutually beneficial and well-defined relationship...to achieve common goals. The relationship includes...a jointly developed structure and shared responsibility; mutual authority and accountability for success; and sharing of resources and rewards" (Mattessich & Monsey, 1992, p. 39).

The Coalition Story Line

In making the point that three of the study sites clearly distinguish between the Board and the executive's roles, I was also obliquely referring to the absence of such clarity at the fourth site, the Coalition. This is not the only

category (Board-Executive Role Expectations) where I have noted the agency's deviation from the others; it is true as well for Participation, Committee Structure and Financial Stability (Table 22, page 308) and for Chief Volunteer's Leadership and Board Self-Monitoring (Table 24, page 337).

It would be tempting therefore to consider the Coalition an outlier, which can be a site just as easily as an individual (Miles & Huberman, 1984). However, those areas where the agency seems to fall short when compared to the other sites are balanced by a reasonable level of performance in such things as Board-Executive Communication, Board Operational Awareness and General Stability and real strength in Organizational Identity but especially Board-Executive Congruence and Executive Assets. On the latter score, the Coalition's CEO stands tall, in the eyes of her trustees certainly but also with her peers, funders, staff, volunteers and clients. Respect and admiration for her professional skills emerged unequivocally from the statements made by Board members in meetings and to me individually, despite any reservations they had about the leadership role she has adopted.

As we have seen in earlier chapters, most of the Board either accept the CEO's dominance in governance and decision making or acknowledge their inability or unwillingness to exert the necessary authority to effect a change. This

leads me to believe the level of congruence within the leadership core is high, even though expressed in a rather passive way. In other words, the executive might for the sake of appearances urge the trustees to be more involved, but for the most part she wants the power and the Board members, generally speaking, are only too happy to give it to her. I have labeled their mode of interaction *laissez-faire*, a style "in which the board serves merely as a rubber stamp for the staff or constitutes a legal fiction" (Rosenthal & Young, 1980, p. 95). Although this variation meets the definition for Pattern #1, and does point up the importance of the two key properties, it rests on a shaky foundation of personal ties and apathy; should either one be tested by environmental forces, there could be serious repercussions.

Returning to the basic research question I posed for this study, I can now answer in the affirmative to the question of whether there are distinct behavioral patterns to be discerned in the board-executive relationship in nonprofit organizations. Recently, Murray et al (1992) have come forward with a typology of five patterns of board governance constructed around power. They indicate that in the past, others have attempted the same thing on the basis of different factors, such as roles and responsibilities, rules and practices and stage in the board's life cycle. To an ex-

tent, my work varies from all of these by taking a multifactor approach, although I have incorporated many of the same variables.

Comparing the patterns identified by Murray et al (1992) with mine, the Coalition's laissez-faire mode of interaction emerges as a combination of their CEO-dominated board and the powerless board, as I have previously noted. I can also see some similarities between their power-sharing board and the collaborative mode of interaction I found at the Society, although one of the characteristics they give, "a de-emphasis on formal positions, titles, and fixed committees," (p. 168) would definitely not fit my study site. However, the partnership mode I have identified at the Network, which reflects the sharing of power between the CEO and the trustees, does not match very well with their description of a power-sharing board, with its heavy reliance on consensus to the point that decision making is hampered. Finally, I would again have to create a hybrid of two of their patterns, the CEO-dominated and the power-sharing boards, to approximate the supportive mode of interaction at the Center. While Murray et al (1992) believe they have presented a "comprehensive set of power distribution patterns" (p. 167), the absence of a partnership pattern, which many view as the most typical structure (Drucker, 1989, 1990b; Houle, 1989; Mausner, 1988; Trecker, 1971; et al), and the

evidence of my research leave this issue open to further study.

An Application of the Theory

In the conceptualization of this study, a particular aspect of governance, decision making, was singled out for special attention, for two reasons. First, it is a primary function of the leadership core (Wernet & Austin, 1991). And second, conflict is often a key ingredient in the decision-making process (Janis & Mann, 1977). Above all, it was my hope that by focusing on this process, I might begin to shed some light on the other part of my main research question, the causal factors that are associated with the different behavioral patterns within the board-executive relationship. For, merely identifying who holds the power in a given organization "does not tell us when and how it will be used, and on behalf of what interests, values, and issues" (Kramer, 1985, p. 26). I will now return to the critical matters with which the leadership core at each site was grappling to see what insights can be gleaned from applying SAM.

In their fine study of decision making in organizations, Hickson et al (1986) suggest that the nature of the topic determines both its complexity and its politicality, the term they use for the influence exerted within the decision-

making process toward a specific end (p. 59). They divide the topics they reviewed into ten categories (p. 30): technologies (equipment and/or premises), reorganizations (internal restructurings), controls (planning, budgeting, data processing), domains (marketing and distribution), services (new, expanded or reduced services), (new) products, personnels (job assessment, training, etc.), boundaries (acquisitions and mergers), inputs (finance and other supplies), and locations (site and site dispersal).

Finally, the categories are rank ordered on two dimensions, the frequency with which certain decisions might arise and their consequentiality. Finding the rarest occurrences to be reorganizations, new or changed services and relocations, the conclusion is that these decisions "will probably be the most difficult to handle since there are unlikely to be clear previous examples to look to" (p. 37). On the other hand, decisions about domains, products and inputs are judged to be quite common and thus easier to address. As far as consequences, once again decisions on locations and reorganizations rank at the top, along with products, and input decisions are at the bottom, with decisions regarding personnel and services, although it is noted that personnel matters must be taken seriously even though "they do not bring radical change nor diffuse nor enduring consequences"

(p. 40). The four remaining categories fall in the middle on both scales.

Table 25 shows the ratings in terms of complexity and politicality for the various decisions addressed by the leadership core at the four study sites, using the category labels from Hickson et al (1986). Before discussing the outcomes, I should point out that their research primarily involved large, for-profit organizations; the handful of nonprofits included major public service institutions, a municipality and a police force while my sites are all fairly small private agencies. Any conclusions to be drawn about the decision-making process in my study versus theirs must take this important distinction into account.

Each of the topic categories except products is represented at least once in the table. Decisions regarding inputs, boundaries, controls and reorganizations can be found in two of the organizations, but only one category, personnel matters, was an issue for all four sites. That a single agency faced a service-related decision and just one, a relocation, but questions about inputs arose in two sites seems to support Hickson et al (1986) on the relative rarity of such matters. On the other hand, with both of the Coalition's critical issues and two of the Center's four decisions falling in the reorganization category, this is a

rather higher frequency than might be expected. The personnel area, which in their study is closer to the rare end of the scale, has greater saliency in my study, while representation in the domain category is just the opposite.

It stands to reason that issues with the potential for serious, long-term and far-reaching consequences will be more complicated and involve more individuals, and their special interests. In examining the decisions faced by the study sites with regard to their complexity and politicality, I found a considerable departure from the outcomes reported by Hickson et al (1986), except for decisions about reorganization. This category ranked third in consequentiality in their study and also proved to be something of a "political hot potato" for both the Center and the Coalition, although the issues were deemed less complex at the former than the latter. More significantly, with the one exception just noted, the same category of decision evoked a different kind of response in each site in which it was present.

As shown in Table 25, input and personnel decisions at the study sites were moderate to high in both complexity and politicality; in the study by Hickson et al (1986), these categories ranked tenth and eighth, respectively, in their consequentiality. Conversely, their highest category in

Table 25
Dimensions of Decision Process

<u>Decision by Site</u>	<u>Topic Category</u>	<u>Complexity</u>	<u>Politicality</u>
<u>Network</u>			
Finances	Input	Moderate-High	Moderate-High
Merger	Boundary	High	High
Relocation	Location	Moderate	Low
Development/ Marketing Area	Personnel/Domain	Low-Moderate	Low
<u>Center</u>			
Finances	Input/Technology	Moderate	Low-Moderate
Staff Reorg.	Personnel/Reorg.	Moderate	High
Strat. Plan	Control	Moderate-High	Moderate
Bd. Rotation	Reorganization	Moderate	High
<u>Society</u>			
Accredit.	Control	Moderate	Low
Staff Dev.	Personnel	Moderate-High	Moderate
Merger*	Boundary	N/A	N/A
<u>Coalition</u>			
Reorganization of Programs	Reorganization/ Service/Personnel	High	High
Reexamination of Roles, Resp.	Reorganization	High	High

* The merger question was not explored beyond the preliminary stage of information sharing.

Note: Topic categories were drawn from Hickson et al, 1986, p. 30.

terms of consequences was locations, while for the Network, the only site addressing this particular issue, the matter was considered only moderately complex and rather routine. The various aspects of the relocation question were handled by an ad hoc committee chaired by a Board member who is a practicing architect. Recommendations were presented at the last Board meeting of the year, and outside of a comment from a Finance Committee member who seemed to feel his committee had not been consulted as fully as he would have liked, the few negative reactions were related to the length of the presentation and the lateness of the hour.

What might account for the variations between the findings in the study by Hickson et al (1986) and mine? Although the data are far from being conclusive, I would suggest that the greater importance of the personnel decisions at my study sites stems from the nature of nonprofits as labor-intensive organizations. That is, planning, delivery and evaluation of services are staff-driven activities, and for most charities, personnel costs represent the biggest expenditure in an operating budget. As noted earlier, a primary function of a board member in a nonprofit agency is fiduciary oversight. Therefore, fiscal matters are given close attention, even routine budget discussions. One of the characteristics of a stable organization is the lack of serious financial problems, so that when one does arise, board members may

have less familiarity with handling such an issue and thus it is a cause for concern. In contrast, input decisions are quite commonplace in the corporate world and do not raise the same level of anxiety (Hickson et al, 1986). Moreover, because we are dealing with relatively small-sized entities whose mission is service, which is often what draws people to become trustees in the first place, there is frequently more opportunity for personal ties to form between board members and senior-level program staff especially.

Based on my research, I submit that decision making in nonprofit settings is influenced by both the kind of organization *and* the issue under consideration, which explains why the same topic brought forth different responses from site to site. Wernet and Austin (1991) see the basic decision-making style in nonprofits as reactive, and I agree as a general observation, but they place much more emphasis on the influence of the external environment than I would. For the study sites, internal factors such as organizational rules, norms and practices and the values, beliefs and assumptions of the leadership core appear to be more significant in determining behavior in non-crisis situations.

A closer look at the personnel decisions addressed by the four sites will clarify this last point. The Network learned through its failed attempt to launch a capital

campaign that there were fundamental weaknesses in its public relations and fund-raising efforts. Following the agency's usual practice, an ad hoc committee was set up to examine the matter and bring back recommendations to the Board. With the findings from the outside consultant who had conducted the feasibility study for the capital campaign as a guide, the committee had the rationale for proposing the retention of full-time staff for both development and marketing; they completed their work quickly, and the proposal was accepted by the full Board. At the Center, the CEO's desire to reorganize the staff to reduce his programmatic responsibilities raised a fair amount of resistance from the staff, who found a way to convey their concerns to individual trustees. Although the plan the executive formulated was quite straightforward and his explanations to the Personnel Committee made sense, his tendency to rely on his executive assets rather than objective documentation gave those in opposition a chance to make their case. As a result, the debate was more prolonged than the issue warranted, even though the CEO eventually prevailed.

The Society's issue was the position the organization should take on the new staff development program for direct care personnel being introduced at a local college. With the agency's deliberate style very much in evidence, this matter had been working its way through the committee system for

close to two years, backed by thorough research and detailed presentations by the CEO and one of the trustees. Because there were long-term implications for the entire staffing pattern if the Society were to embrace the new program, the Future Planning Committee voted to continue the organization's involvement in a local coalition of similar kinds of agencies as a show of support for the concept of the program but did not escalate beyond that--a cautious but prudent decision since no pressure was being applied either internally or externally for a deeper commitment. Finally, the decision at the Coalition to examine all programs and services with an eye to reorganizing the agency had direct bearing on personnel questions that had been pending for some time around compensation and benefits. In fact, it seemed to at least one trustee serving on the Planning Committee that this was the real reason for the whole effort, which was confirmed by the Board Chair at the May Executive Committee meeting: "I think the agenda for that Planning Committee is that there'll be four full-time professionals [each] making \$50,000 a year, and that's the bottom line...for the redesigning [of the agency]....That's been kind of clear from the beginning." Since the issue spanned three categories--reorganization, service and personnel--it was complex, and the many, often conflicting interests involved made it highly politicized. In the end, form held true; the CEO achieved the program structure she

wanted, with some guarantees that salary and benefits would be reviewed.

- From the SAM perspective, it is possible to analyze the decision processes and see the interplay of Board-Executive Congruence and Executive Assets within the Agency Context. At the Network, the contrast between the handling of the personnel matter and the way the merger question was addressed provides a good illustration. In the first instance, community opinion served as the stimulus for the deliberations about the best way to strengthen the agency's development and marketing activities, which was in keeping with tradition regarding change and expansion. Since it was essentially an operational matter, the CEO's role was to provide information and perspective to the Board as staff to the ad hoc committee. In this way, she influenced the outcome, but let the facts bring the trustees to the inevitable conclusion that more staffing was the answer to the problem--a logical approach very well suited to both the executive's and the Board's fundamental corporate style.

On the other hand, when the CEO presented the idea of a possible merger as an informational item toward the end of a Board meeting, she found herself on the defensive to explain why such a potentially significant issue had been raised so casually and late in the agenda. Because she indicated the

talks with the other agency had only just started and was able to point to a major funder as the impetus for her actions, the Board was mollified to a degree. Here, the environmental factors in the form of external pressure from the funding source coupled with the internal historical precedent regarding expansion served to restore congruence. Moreover, the trustees needed the CEO's expertise to carry out the sensitive negotiations, which brought her executive assets into play. It was clear, however, that the trustees saw the merger question as having policy implications and expected to be involved from the beginning. From then on, the CEO worked through the Board's Planning and Evaluation Committee, with monthly updates provided at subsequent Board meetings.

The different postures assumed by the Network's trustees in these two matters offer the most dramatic example of how power was expressed generally within the leadership core in the four study sites. Without being articulated as such, an accommodation had been reached in the relationship that determined the CEO would assume the lead role in decision making when an issue was primarily operational, but the Board expected to be fully engaged from the outset when there was a policy-related topic. When the executive appeared to be violating this understanding with regard to the potential merger, the Board quickly brought her into line.

This supports the "symbolic interactionist position that social influences affect even relatively structured, stable patterns of behaviour [sic]" (Smith & Peterson, 1988, p. 130).

As we have learned, decisions about reorganization rank near the top in consequentiality. It does not come as a surprise, therefore, that the idea of instituting Board rotation at the Center and the reexamination of Board-executive roles and responsibilities at the Coalition both have a high rating in politicality (Table 25). But we see that the Center viewed its issue as moderately complex while for the Coalition, it was judged to be highly complex. Based on SAM, I would suggest a key factor in explaining the variability lies in the leadership role assumed by the two executives. Although the Coalition's CEO had had concerns for some time about the lack of involvement of the trustees in the important work of the organization, especially around fund raising, she did not take any constructive steps to bring this issue into the open. It was only after the problem surfaced through the program planning process that she verbalized her concerns, and then she merely outlined the situation without offering any real solution, which left the Board in the same confused state. In contrast, the Center's executive initiated the discussion about rotating terms and persevered even when he saw the resistance of many

of the trustees. In his willingness to put his personal prestige on the line to effect this change and his belief that his actions were in the best interests of the organization, the CEO demonstrated many of the qualities of the transformational leader, including "self-confidence, dominance, and a strong conviction in the moral righteousness of one's beliefs" (Kuhnert & Lewis, 1989, p. 195; see also Lakey, 1986, on leadership in times of transition).

Although I believe meaningful change at the Coalition will not take place unless and until someone, whether the current CEO or a trustee, is prepared to offer transformational leadership, in most situations in nonprofit organizations, this level of leadership is not necessary. Instead, we find more evidence of transactional leadership, where the executive expects that in providing what the board needs, he or she will receive something of value in return, and vice versa. A good illustration of this principle can be found in the Society CEO's recognition that his trustees' assumption of responsibility for local fund raising frees him to work with state and county funding and regulatory groups and that through this division of labor, he and the Board can concentrate on what they each enjoy most, thereby achieving considerable satisfaction.

Burns (1978) notes there is a give-and-take in small groups derived from "a sense of mutual obligation and a need for reciprocity" (p. 290). In attempting to explain the dynamics in the board-executive relationship, SAM borrows some of the aspects of social exchange theory, with both carrying implications of mutual trust and shared power (Mausner, 1988), but SAM takes a more pragmatic approach, akin to Kramer's (1985) contingency theory, by recognizing that a relationship may be equitable without necessarily being equal. It also offers a practical application of Molm's (1987) efforts to link structural and behavioral power by proposing circumstances when a real or perceived power imbalance within the leadership core will have consequences for power use. In addition, my theory seems to be close to the leadership model posited by Hollander (1978), which involves a relationship of leader, follower and situation, with the important distinction that in SAM, the lines between leader and follower are often blurred and the roles may even be interchanged, depending on the situation or agency context.

Concluding Remarks

Although the point of this study was to explore and describe the board-executive relationship in nonprofit settings, in the development of SAM, I believe I have made an important start toward explaining the "what," "when," "how" and "why"

of the interactions within the leadership core. While the patterns I have described in analyzing the data collected at the four study sites do not exhaust the possibilities--I have mentioned the recent work of Murray et al (1992) in this regard--and my conclusions have to be tempered by the limitations of the sample, SAM does refute the prescriptive positions taken by some (Carver, 1990); Drucker, 1989, 1990b; et al) that would ask all nonprofits to attempt to fit a single mold, whether a partnership or a variant thereof.

In fact, with the Coalition's story, I have demonstrated that even an apparently dysfunctional board-executive situation does not have to spell disaster for an organization if the key internal elements are intact, which should bring comfort to many professionals and volunteers who are struggling to maintain a viable program in the face of the most difficult external pressures. The lesson of SAM might be that if a particular leadership pattern works for the organization--quality services are provided, bills are paid in a timely manner, regulations are met and participants are relatively happy with the outcomes of decisions--then the board and executive can justifiably consider their relationship a success.

EPILOGUE

Introduction

In the foreword to Kurt Lewin's book Field Theory in Social Science (1951), Cartwright notes that Lewin advised young researchers to "only ask the questions in your research that you can answer with the techniques you can use. If you can't learn to ignore the questions you are not prepared to answer definitely, you will never answer any" (p. xiv). This quotation captures very well Lewin's remarkable talent for combining the practical and the theoretical.

In many respects, the building of theory from case study research illustrates that kind of combination, for "it is the intimate connection with empirical reality that permits the development of a testable, relevant, and valid theory" (Eisenhardt, 1989, p. 532). Since the phenomenon addressed in this research study, the board-executive relationship in nonprofit organizations, is one with which the investigator is personally familiar through over fifteen years of practice experience as a top administrator in such settings, the theory-building process described in the preceding pages was enhanced by the special understanding derived from firsthand knowledge of the subject matter.

However, the true value of the theoretical perspective derived from this study and explicated in Chapter Nine will be determined by its usefulness in providing future insights into some previously unanswerable questions about nonprofit governance. In this light, within the context of the new theoretical framework, we will take a final look at the four study sites and the critical issues with which each leadership core was coping during the project's formal observation period.

Tying up the Loose Ends

To complete the individual agency profiles required my contacting the executives to check certain details and observations. This afforded me the opportunity to inquire about decisions that had been unresolved at the point the original data collecting was completed and thus to round out the word pictures of the sites presented in Chapters Four through Seven.

Suburban Service Network

The biggest piece of news conveyed by the CEO was of a personal nature: She was retiring as of June 1993. She admitted she had made her plans known to the Board while I was conducting my study but had not felt free to share the information prior to the agreed-upon date for the formal announcement. However, this news did offer a possible

explanation for the other developments, which seemed out of character for an agency that normally was a model of action based on careful planning.

First, the merger with a local mental health facility that had been the main topic for consideration by the Planning and Evaluation Committee fell through over the summer. Instead, the other agency decided to merge with a leading hospital in the area. In sharing this information with me, the executive indicated that the clinic appeared to attach more prestige to joining forces with the hospital. Although her tone of voice revealed how difficult it must have been to accept this outcome after having spent so much time in trying to work out the terms of the agreement to everyone's satisfaction, the clinic's decision does support the findings of the consultant who had conducted the feasibility study for the Network regarding the agency's lack of widespread recognition in the community.

With regard to relocating the offices, the move was scheduled to go forward. Unfortunately, it was not going to be possible to include the mental health unit because another licensed program was already established to serve that part of the city, and the regulations did not permit duplication of service. Through an oversight, no one had thought to check into this possibility at the point that the Ad Hoc

Real Estate Committee was investigating different locations. The new arrangements were already made before the staff realized there was a problem.

As noted above, the failure to appreciate the possible impact of the Network's limited organizational identity on the merger negotiations in the one case and the inattention to detail in the other seem uncharacteristic of this agency. But with the CEO's scheduled departure, the agency context has changed, and Lakey (1986) points out that "the demands on managers during transition times are often more than what can be met by one person" (p. 30). Thus, the way these critical issues were resolved may be evidence of a potential weakness of the Corporate Model, the heavy reliance on the CEO rather than teamwork (Eisenberg, 1992). Here, it appears that no other staff took responsibility for a larger role in the transactions to compensate for the fact that the executive might now be preoccupied with many other organizational needs.

Greenville Neighborhood Center

Since the executive's assets and high congruence with the trustees had enabled him in the past to find a way to achieve his objectives, I was not surprised to learn that the idea of rotating terms for the Board members had been approved in the fall with little difficulty. All of the

opposition seemed to have evaporated over the summer once it was proposed that the calculation of time served for the purpose of rotating off start with the passage of the resolution. Accordingly, a current trustee had six years before being affected by this provision. Given the ages of those who had the longest tenure, they would undoubtedly be ready to retire at that point even if their terms were not at an end. In addition, anyone holding the position of Board President would still be entitled to a lifetime appointment; this decision would take care of the younger trustees who demonstrated leadership and a deep commitment to the organization. The CEO was justifiably proud of his Solomon-like solution to a very touchy subject.

Society for Family Restoration

Regarding the training program for direct care workers, the executive reported that his agency was still involved in the coalition, and the Board had voted to contribute \$10,000 to the effort. However, in its typical fashion, the leadership core was not disposed to making any precipitous move toward embracing the concept, for there was still an internal struggle over the best method of integrating workers who completed the program into the present staffing pattern. At this time, the CEO was considering a single field placement, so that everyone concerned would have ample opportunity to determine the pros and cons of heavier participation.

Coalition against Child Abuse

Having taken a month off to regroup, the executive was much more upbeat than she had been at the end of the observation period, which she attributed in part to a decision to expect the Board to fulfill its obligations. For example, she had given budget projections to the Finance Committee that reflected true needs instead of a "bare bones" budget as in the past and was leaving it to the committee to make the hard choices of what to cut. Furthermore, the Office Manager no longer was attending Board and Executive Committee meetings, and so the Board itself was responsible for the agenda and the minutes.

There were other changes in governance. Two Board members who had been thinking of resigning were still there, and one was even a member of the Executive Committee as an at-large representative. Board committees were now meeting regularly. Under the leadership of two of the trustees, the Nominating Committee held a recruiting breakfast in the fall at a local hotel, to which they invited a prescreened group of potential Board members. Interested individuals were subsequently asked to attend an orientation session; the agency's financial situation was explained and expectations were spelled out. The outcome was twelve new trustees! Current officers' terms were extended by six months to allow for a transition period.

The CEO was also pleased about a new program initiative. As an outgrowth of the planning process, which identified advocacy as one of the primary service areas, the executive was involved with the local law enforcement and social services personnel in creating the first Child Advocacy Center in the state. The agency was slated to move to new quarters in Riverside proper, where the Center was to be located, and this also meant new staff would be hired.

The only problem seemed to be finances. Over the past three years, 55% of the United Way base allocation had been lost, and consequently the agency's budget had dropped to approximately \$220,000. One program, and its one related staff member, was gone, but on the positive side, there had been a 4% salary increase for the remaining staff, and the Finance Committee was working on improving the benefit package.

Though the executive's update was generally positive, I thought it prudent to get another perspective on these developments. A call to one of the Board members involved in the recruitment of the new trustees revealed that nothing fundamental had changed. When I mentioned the new project, she fairly exploded, saying she had no idea that matters had progressed to such a degree. She saw this as evidence the CEO was still abusing her authority by making commitments for the organization without informing the trustees or

securing their approval in advance. Although she anticipated the Board would ratify the executive's actions when and if the matter came to a vote, she indicated she would be resigning from the Board at the end of the year.

Concluding Remarks

As these vignettes demonstrate, organizations tend to remain constant under non-crisis conditions. At the Network, it remains to be seen whether the less-than-totally-satisfying outcomes of the merger and the relocation are events or circumstances, whether the executive's departure is handled well or precipitates a crisis. For the other three study sites, however, the resolution of their issues is very consistent with the norms and practices depicted in the individual profiles. Overall, we find further support for the saliency of agency context, executive assets and board-executive congruence, the key SAM variables, in organizational decision making.

APPENDIX A
DATA COLLECTION

Exhibit 1**Letter to Site CEO re Study (sample)**

23 Dose Road
Wappingers Falls, NY 12590
August 16, 1991

Mr. _____
Executive Director
Agency Name
Agency Address

Dear _____:

Thank you for giving me the opportunity to describe my dissertation project. As I indicated, the focus of my effort will be decision making and governance in social agencies, and I believe that the results of my work will increase our knowledge of nonprofit management to the benefit of all of us engaged in the important job of serving others.

Specifically, I intend to study the process by which the leadership core--the board and the executive--reaches decisions on key issues. By looking at this process over time in a select number of agencies, I hope to be able to identify successful techniques and strategies that ultimately can be part of one or more training packages for both professionals and volunteers.

I would very much like to include the _____ in my study. To do this, I would need permission from you and your board to review agency files, especially minutes of board and executive committee meetings; to observe at least three meetings of the board and/or executive committee; to survey the board via a questionnaire; and to interview some board members as well as you. Please be assured that all information will be held in the strictest confidence; the agency name and location as well as individual identities will be masked.

I would particularly welcome your participation in the study because I am well aware of the rich history of the _____. I think other agencies have much to learn from what you have accomplished. I also think I can offer something in return. All participants will receive periodic reports of my findings, reflecting information specific to

Exhibit 1, continued

Mr. _____
August 16, 1991
Page 2

each site and comparisons with the other study subjects, to use as you see fit. Since I bring to this effort many years of professional experience as both an executive and board member of social agencies, I hope my analysis will be to the point (see enclosed resume).

If you agree to be a study subject, I will want to get started with my research this fall, but I will work out a schedule with you that does not inconvenience your operation. My intention is to conclude the data collection phase by late spring of 1992, and to analyze the data and prepare the final report by the spring of 1993.

Please let me know your decision as soon as possible, and thank you again for your interest in my study.

Sincerely,

Martha Golensky

Enc.

Table 26
Summary of Document Review

Type of Document	Sites			
	Network	Center	Society	Coalition
1) Accreditation Information	Y	Y	Y	N/A
2) Annual Report	Y	Y	Y	Y
3) Audit	Y	Y	N*	Y
4) Board List	Y	Y	Y	Y
5) Board Manual	Y	N/A	Y	Y
6) Brochure on Program(s)	Y	N	Y	Y
7) Bylaws	Y	Y	Y	Y
8) Certificate of Incorporation	N	N	Y	Y
9) Financials	Y	Y	Y	Y
10) Minutes-Board Meetings**	Y	Y	Y	Y
11) Minutes-Exec. Comm. Mtgs.***	Y	Y	Y	N/A

Codes: Y=Document available and reviewed;
N=Document not reviewed;
N/A=Document not available

* The annual Investment Report was reviewed.

** Minutes of Board meetings were reviewed for a three-year period, the two years prior to the formal observation period and the observation period itself.

*** Minutes of the Society's Executive Committee meetings were reviewed for a three-year period; the Executive Committee at the Network and the Center meets sporadically; there were no minutes of the Executive Committee meetings at the Coalition.

Table 26, continued
Summary of Document Review

<u>Type of Document</u>	<u>Sites</u>			
	<u>Network</u>	<u>Center</u>	<u>Society</u>	<u>Coalition</u>
12) Minutes-Other Comm. Mtgs.	Y	Y	Y	Y
13) Mission Statement	Y	Y	Y	Y
14) News Clippings	Y	Y	Y	N
15) Newsletter (in-house)	Y	N/A	Y	N/A
16) Planning Documents	Y	Y	Y	N
17) Written Rpts. -CEO to Board	Y	N/A	Y	Y
18) Written Rpts. -CEO to comm.	Y	Y	Y	N/A
19) Miscellaneous Documents****	Y	Y	Y	Y

Codes: Y=Document available and reviewed;
 N=Document not reviewed;
 N/A=Document not available

******** Examples: History of Agency (Network); legislative information (Center); monthly calendar of events (Society); annual United Way assessment form (Coalition)

Exhibit 2**DOCUMENT SUMMARY FORM**

Site _____
Doc. No. _____
Date Obtained _____

1. Name or Description of Document
2. Associated Event or Contact (if applicable)

Date _____

3. Significance of Document
4. Brief Summary of Contents

Location of original _____
Copy made? _____ Yes _____ No
Follow-up required? _____ Yes _____ No

Adapted from Miles & Huberman, 1984, p. 55.

Exhibit 3

QUESTIONNAIRE FOR BOARD

I am a doctoral student in the Social Welfare Program at The City University of New York. I am seeking your help with my dissertation project, which looks at how decisions are made on key issues in nonprofit agencies. This is an important aspect of agency management, and I would be very interested in your views on the matter.

All answers will be kept confidential, as will the name of the agency. I will prepare a confidential analysis of your board's aggregate responses and also send you a copy of the completed study. Thank you for your help.

1. How long have you served on this board? (check one)

☐ less than 1 year	☐ 6-10 years
☐ 1-2 years	☐ more than ten years
☐ 3-5 years	

2. Why are you serving on this board? (check all that apply)

☐ My friends are on the board.
☐ My family served before me.
☐ It offers me prestige.
☐ It offers me a creative outlet.
☐ It is glamorous and exciting.
☐ We perform a useful service.
☐ I can build business/professional contacts.
☐ I can meet interesting people.
☐ I used to participate in its programs (or used services).
☐ Other (specify) _____

3. Are you currently or were you previously a board officer?

Yes ☐	No ☐

4. How often does the full board meet? (check one)

☐ Biweekly ☐ Quarterly
☐ Monthly ☐ Other
☐ Bimonthly (specify) _____

5. What kind of training does the board receive? (check all that apply)

☐ Initial orientation
☐ Formal presentations on programs and services
☐ Formal presentations on management and fiscal issues
☐ Training in fundraising strategies
☐ Workshops/courses at college or outside agency
☐ Other (specify: _____)
☐ None

6. If the agency does not provide training, how helpful do you think it would be to have it available? (check one)

☐ Very helpful ☐ Somewhat helpful
☐ Not helpful

7. For each of the following statements, indicate whether you **strongly agree**, **agree**, **disagree**, or **strongly disagree**.

SA A D SD

The board and executive should function as a team. (7.1)

The board alone should set policy. (7.2)

The board should not get involved in agency day-to-day operations. (7.3)

The board president serves as the executive's "boss." (7.4)

Hiring, firing and discipline of staff are the executive's responsibilities. (7.5)

8. The four areas listed below have been identified as the joint responsibility of board and executive. Pertaining to this agency, in each category, use (P) to indicate who has the **primary** task responsibility, (C) to indicate who has a **contributing** responsibility, and (-) to indicate **no** responsibility.

(Center for Management Systems, 1985)

		Board	Executive
Annual Goals	Plan	___	___
	Approve	___	___
	Implement	___	___
	Review	___	___
Annual Operating Budget	Plan	___	___
	Approve	___	___
	Implement	___	___
	Review	___	___
Long-term goals	Plan	___	___
	Approve	___	___
	Implement	___	___
	Review	___	___
Operational Effectiveness	Plan	___	___
	Approve	___	___
	Implement	___	___
	Review	___	___

9. How would you define a "working board"? _____

10. Based on this definition, do you think the term applies to your board? ___ Yes ___ No

Now I would like to ask some questions related to the executive director:

11. Were you on the board at the time the current executive was hired? Yes No
(If you were not a board member at that time, continue with question #15.)
12. Were you a member of the search committee for the current executive? Yes No
13. Who determined the qualifications for prospective candidates? (check one)
- | | |
|----------------------------------|--------------------------------|
| <u> </u> Full board | <u> </u> No predetermined |
| <u> </u> Search committee | <u> </u> qualifications |
| <u> </u> Outside consultant | <u> </u> Other |
| | <u> </u> (specify) _____ |
14. For each of the following items, indicate how persuasive it was in the decision to hire this executive.

	Very Persuasive	Somewhat Persuasive	Not Persuasive
Prior experience	_____	_____	_____
Educational background	_____	_____	_____
References	_____	_____	_____
Personal appearance	_____	_____	_____
Knowledge of client problems	_____	_____	_____
Knowledge of community	_____	_____	_____
Communication skills	_____	_____	_____
Personal/Professional contacts	_____	_____	_____
Fundraising track record	_____	_____	_____
General management skills	_____	_____	_____
Other(_____)	_____	_____	_____
Other(_____)	_____	_____	_____

15. Is there a written job description for the executive?
☐ Yes ☐ No ☐ Don't Know

If yes, how was it developed?
(15.1) _____

If *no* or *don't know*, do you feel a formal job description basically helps or hinders performance? (15.2)
☐ Helps ☐ Hinders ☐ Neither helps nor hinders

16. What kind of feedback does the executive receive regarding his/her performance? (check all that apply)

☐ Formal written evaluation
☐ Formal verbal evaluation
☐ Informal evaluation or feedback
☐ No direct feedback

17. Is the executive's compensation tied to the performance evaluation? ☐ Yes ☐ No ☐ Don't Know

18. Looking at the list in question #14, rank in order of importance the three skills or characteristics you feel a good executive must have.

1. _____
2. _____
3. _____

19. How would you rate your level of confidence in the executive's performance at this time? (check one)

☐ High ☐ Medium ☐ Low

20. On what did you base your rating?

21. What do you think are the most important elements for maintaining a sound board-executive relationship?

22. Would you like to add anything else or comment on any of the points raised?

Finally, I would like to have some general background information about you:

Please check the appropriate response for each of the following items.

23. Gender: ☐ Male ☐ Female

24. Age: ☐ Under 21 ☐ 41-50
 ☐ 21-30 ☐ 51-60
 ☐ 31-40 ☐ Over 60

25. Ethnicity:

☐ Caucasian ☐ Asian American
☐ African American ☐ Native American
☐ Hispanic ☐ Other
 (specify) _____

26. Occupation:

☐ Manager/Administrator (business)
☐ Manager/Administrator (nonprofit)
☐ Educator
☐ Social worker in direct practice
☐ Other professional (specify) _____
☐ Homemaker
☐ Self-employed (_____)
☐ Retired (from: _____)
☐ Other (_____)

The information you have provided will be included in the aggregate data contained in my final report. Thank you again for your assistance.

In addition to the information that I will be able to obtain from this questionnaire, I am interested in interviewing a few members of the Board. This is totally optional, but if you would be willing to be interviewed (for about an hour) on the same topic, please complete the section below.

Name: _____

Preferred interview site:

Phone number(s): _____

Best time to be contacted: _____

Exhibit 4**INTERVIEW SCHEDULE FOR BOARD MEMBER**

As you know, I am a doctoral student in the Social Welfare Program at The City University of New York, and I have chosen as my dissertation topic decision making and governance in social agencies. Specifically, I am studying the process by which the leadership core--the board and the executive--reaches decisions on key issues. My hope is that I will be able to identify successful techniques and strategies that ultimately can be part of training packages for both professionals and volunteers.

I would like to spend about an hour with you discussing your agency to get a sense of how that process operates here. Your answers will, of course, be kept confidential, as will the agency's name and location.

1. Now, how long have you been a board member of the
_____ agency? _____
2. In that time, on what committees have you served?

3. Are you currently holding a leadership position as an officer or committee head?

(If yes) What position? _____
4. What leadership position(s) have you held in the past?
5. How are leadership positions filled on this board?
6. What do you feel are the most important responsibilities of a board?
7. Based on these criteria, how would you rate the overall performance of this board: very effective, somewhat effective, somewhat ineffective, very ineffective?
8. (If 1st or 2nd rating chosen) Why do you think the board has functioned so well?
9. (If 3rd or 4th rating chosen) Why do you think the board has not functioned so well?
10. Is there provision for an orientation and/or ongoing training for the board?
11. (If yes) What does this consist of?

12. (If no) Would you like to see training provided? What kind and by whom?
13. Does the executive play any role in selecting new board members?
14. (If yes) What is that role?
15. (If no) Why not?
16. Does the executive play any role in the selection of board officers or committee heads?
17. (If yes) What is that role?
18. (If no) Could you conceive of a role for the executive? What might it be? or Why not?
19. How involved were you in the selection of the current executive: very, somewhat, virtually not at all?
20. (If 1st or 2nd choice selected) What was your particular role in the process?
21. (If 3rd choice selected) Why were you not more involved?
22. Is there a formal job description for the executive? (yes, no, don't know)
23. (If yes) How was it formulated? Did you participate in the process?
24. (If no, don't know) Do you think it would be useful to have one? Why or why not?
25. Of the following areas on which an executive might spend time in an average week, would you rank in order by using 1, 2, and 3 the **three** you feel should be given top priority?

[Give card with the following list: planning, personnel matters, agency finances other than fundraising, fundraising, board-related activities, programs and services, building maintenance, legal and/or regulatory matters, other (specify)]

26. Is there a formal evaluation of the executive's performance?
27. (If yes) How often? On what is it based? Briefly describe the process. Who is involved, etc.?
28. (If no) What kind of feedback is given? [Probe if too vague.]
29. How are priorities set on the allocation of agency resources? [Probe to determine board's role and executive's role.]
30. What kinds of information do you receive from the executive about the agency's operation?
How frequently?
31. Do you feel well-informed about the agency?
32. (If no) What more would you like to know?
33. Outside of regularly scheduled meetings, what contact do you have with the executive? [Probe for frequency and purpose.]
34. Who is more likely to initiate the contact, you or the executive? Why?
35. According to some, an "event" may be defined as a segment of ongoing organizational processes that is given a particular meaning by each observer. In other words, an event may be interpreted differently by different observers.

I am going to give you two vignettes describing events that might take place in an agency. In each case, if it were this agency, how would the board react and how would you expect the executive to react? What would be the likely outcomes and why?

Historically, the agency has depended on grants from foundations to support its various programs. Recently, a major donor has advised the organization of a change in priorities, which means that the foundation will not be renewing the current grant, leaving a big hole in the operating budget for the coming year.

About a year ago, a new director was hired to run the agency's largest service department. The candidate had presented an impressive resume, and the references had checked out. Initially, everyone, including the board committee with which this individual worked most closely, had the sense the department was in good hands. However, it is suddenly learned that this director has been maintaining two jobs simultaneously, unbeknown to either employer. The director is fired, but it comes to light that several important tasks had been ignored and, as a result, the accrediting body to which the agency reports has threatened to withdraw its approval rating.

36. During the tenure of your present executive, what events would you identify as the biggest successes for the agency?
37. To what extent did the board contribute to these outcomes?
38. What were the executive's contributions?
39. During this same period, have there been any events with less successful outcomes? (If no, continue with Q46.)
40. (If yes) Could you provide details? [Probe.]
41. What was the board's reaction (in each case)? [Probe.]
42. What role did the executive play (in each case)? [Probe.]
43. Have there been any aftereffects?
44. (If yes) What have they been?
45. How do you think the board might respond to such events today?
46. What gives you the most pleasure about being on this board?
47. What is the least satisfying aspect?

48. How would you rate your overall satisfaction toward your board participation: high, medium, low?
-

That concludes the questions I have. However, do you have anything to add or want to comment on any of the issues covered?

Decision making and governance in nonprofit agencies are vital processes that have not received enough attention. The responses you have given today will be added to the data collected from other sources. When I have a final study report, I will be happy to send you a copy. Thank you for your time and your contribution to this effort.

Exhibit 5**INTERVIEW SCHEDULE FOR EXECUTIVE**

As you know, I am a doctoral student in the Social Welfare Program at The City University of New York, and I have chosen as my dissertation topic decision making and governance in social agencies. Specifically, I am studying the process by which the leadership core--the board and executive--reaches decisions on key issues. My hope is that I will be able to identify successful techniques and strategies that ultimately can be part of training packages for both professionals and volunteers.

I would like to spend about an hour with you discussing your agency to get a sense of how that process operates here. Your answers will, of course, be kept confidential. Having been an executive of an agency much like this one not so long ago, I am particularly sensitive to any concerns you might have about confidentiality and want to put your mind at ease on that score.

1. Now, how long have you been the executive at this agency?
2. Tell me a little about your professional experience. For the past seven years, what have you been doing and for whom?
3. (Follow-up question if respondent has been with current agency for the seven years.) Where were you before that?
4. What about your educational background?
5. During the search process or at the time you were hired, did you receive specific information about the agency's mission and the board's expectations of its executive?
6. (If yes) How was this conveyed?
7. (If no) How did you then determine the dimensions of the job?
8. Using rough percentages, how much time during an average week do you spend on: ___ planning, ___ personnel matters, ___ agency finances other than fundraising, ___ fundraising, ___ board-related activities, ___ programs and services, ___ building maintenance, ___ legal and/or regulatory matters, ___ other (specify)?

9. How do you decide about the way you will spend your time?
10. Do you have a formal job description?
11. (If yes) How does it mesh with your actual responsibilities as just described? [Probe: Could you explain that in more detail.]
12. (If obvious discrepancy) Why do you think there is such a difference between the paper version and the real situation?
13. (If no) What effect has that had on what you do? [Probe.]
14. Is there a formal evaluation of your performance?
15. (If yes) How often? On what is it based? Briefly describe the process. Who is involved, etc.?
16. (if no) What kind of feedback do you receive? [Probe if too vague.]
17. What do you feel are the most important responsibilities of a board?
18. Based on those criteria, would you rate your board overall as: very effective, somewhat effective, somewhat ineffective or very ineffective?
19. (If 1st or 2nd rating selected) Why do you think the board has functioned so well?
20. (Follow-up if needed) What has been your contribution to this?
21. (If 3rd or 4th rating selected) Why do you think the board has not functioned so well?
22. (Follow-up if needed) What could you do to strengthen the board?

[If training mentioned in above group of questions, omit next group and go on to Q26.]
23. Is there provision for an orientation and/or ongoing training for the board?
24. (If yes) What does this consist of?

25. (If no) What do you think would be the board's reaction to your suggesting training?
26. Are you involved in the selection of new board members?
27. (If yes) How?
28. (If no) What role, if any, would you like to play?
29. Are you involved in the selection of board officers or committee heads?
30. (If yes) How?
31. (If no) What role, if any, would you like to play?
32. Is there a long-range plan in place for the agency?
33. (If yes) What period does it cover and how was it developed?
34. How often is the plan reviewed and by what process?
35. (If no) Is there an interest in developing such a plan?
36. (If yes) What process will you follow?
37. (Whether yes or no) How are annual priorities set and resources allocated? [Probe: Who has the primary responsibility for such decisions?]
38. What kinds of formal and informal mechanisms do you use to keep the board informed about the agency? [Probe.]
39. Outside of formally scheduled meetings, how frequently do you make contact with board members?
40. Do you have more contact with some board members than others?
41. (If yes) Is this based on the individual's board role, a personal relationship or both? [Probe to identify distinctions, if any, according to the purpose of the contact.]

42. According to some, an "event" may be defined as a segment of ongoing organizational processes that is given a particular meaning by each observer. In other words, an event may be interpreted differently by different observers.

I am going to give you two vignettes describing events that might take place in an agency. In each case, if it were this agency, how would you react and how would you expect your board to react? What would be the likely outcomes and why?

Historically, the agency has depended on grants from foundations to support its various programs. Recently, a major donor has advised the organization of a change in priorities, which means that the foundation will not be renewing the current grant, leaving a big hole in the operating budget for the coming year.

About a year ago, a new director was hired to run the agency's largest service department. The candidate had presented an impressive resume, and the references had checked out. Initially, everyone, including the board committee with which this individual worked most closely, had the sense the department was in good hands. However, it is suddenly learned that this director has been maintaining two jobs simultaneously, unbeknown to either employer. The director is fired, but it comes to light that several important tasks had been ignored and, as a result, the accrediting body to which the agency reports has threatened to withdraw its approval rating.

43. During your tenure, what events would you identify as the biggest successes for the agency?
44. What were your contributions to these successes?
45. To what extent did the board contribute?
46. During this same period, have there been any events with less successful outcomes? (If no, continue with Q52.)
47. (If yes) Could you provide details? [Probe.]
48. How did you handle the situation(s)? [Probe.]
49. What was the board's reaction (in each case)? [Probe.]

50. Have there been any aftereffects?
51. (If yes) What have they been?
52. What gives you the most job satisfaction?
53. What is the least satisfying part of your job?
54. How would you rate your overall level of job satisfaction: high, medium or low? _____

That concludes the questions I have. However, do you have anything to add or want to comment on any of the issues covered?

Decision making and governance in nonprofit agencies are vital processes that have not received enough attention. The responses you have given today will be added to the data collected from other sources. When I have a final study report, I will be happy to send you a copy. Thank you for your time and your contribution to this effort.

APPENDIX B
DATA ANALYSIS

Introduction

Tables 27, 28 and 29 represent the "first cut" in the process of data analysis, that is, taking the raw data and combining it in ways that clarify concepts and allow themes to emerge. Table 30 is from the final stage in the analysis, the winnowing of the different aspects of the phenomenon, which have been given specific names and are now referred to as *categories*, down to a single core category, the conceptual label for the theory that has evolved from the data.

Table 27

**Definition of "Working Board" and
Applicability to Site: Network (sample)**

Respondent	Definition	Applicability
<u>Theoretical, Corporate Model</u>		
Respondent #1	"Members contribute advice, participate in areas of expertise."	Y
<u>Theoretical, General</u>		
Respondent #1	Would define "in terms of agency effectiveness."	Y
Respondent #2	"One that gets involved. I can't be more specific. Depends on issues and circumstances."	Y
Respondent #3	"One that works together in all aspects."	N
<u>Concrete, Corporate Model</u>		
Respondent #1	"Actively involved in planning, controlling, marketing. 90% of members attend meetings...active on all committees."	Y
Respondent #2	"Involved in long range planning & policy making & evaluation."	Y
Respondent #3	"Assists President at all levels in addition to overseeing the agency."	Y
Respondent #4	"One which sets policy & works with the executive to carry it out."	Y
Respondent #5	"A working board performs its board responsibilities well. This does not include involvement with day to day activities, but it does include fund-raising, attending meetings, committee work, personal financial support."	U

Table 27, continued.

Respondent	Definition	Applicability
<u>Concrete, General</u>		
Respondent #1	"On committees to help the agency--personally in community & personally to raise funds."	U
Respondent #2	"One that has hands on responsibility."	N
Respondent #3	"Members serve on committees & are consulted --opinions are heavily considered by mgmt.--Board members should be totally involved by mgmt. in the agency."	N
Respondent #4	"One that gets involved in fund raising and in doing p.r."	U
Respondent #5	"Present at most meetings, participation, contributors--financially & otherwise."	N
Respondent #6	"One where all members are seriously involved in at least one committee and also attend most all Board meetings."	N
Respondent #7	"All members are involved in committees--And put in time, advice, expertise as needed."	U
Respondent #8	"All members attend the meetings; all serve on committees & attend those meetings. They accept responsibility."	Y

Notes: 1) Codes: Y = yes, N = no, U = unsure

2) Source: Board Questionnaire

3) One respondent did not answer the question; a second did not offer a definition but did indicate this is a working board.

Table 28

**Appraisal of Board Performance by
Selected Board Members and the CEO: Network (Sample)**

	Most Important Responsibili- ties of Board	Overall Performance Rating of Board	Reason(s) for Rating	General Comments
<u>Board</u>				
#1	Policy making; making sure policy can be implemented, i.e., sufficient resources; choosing CEO & being available for assistance	SI	Lack of participa- tion in fund raising & no recognition of financ'l obligation; difficulty in getting people to do things	Commitment lacking-- perhaps as result of Corporate Model--may feel super- fluous--not sure what role to play
#2	Board oversight of agency but really trust issue re: CEO; delegate respon. to committees; ratify others' work	SE	Development of goals & obj. as basis for judging CEO; getting stronger in implementing Corp. Model	Board in evolution-- impressed by new nominees-- feels will bring change
#3	Overall policy setting; ambas- sadorial role to public	SE	Do better job of identifying expect.; indiv. perf. varies due to capacity to contrib., own vision, time con- straints	For future sees more prof. bd. w/people recruited to contrib. \$\$ but may mean less avail. for things bd. does now
#4	Keep vision alive--congru. bet. vision & perf.; fiscal resp./resources to meet goals; support to CEO	SE	Not all Bd. members participate at same level	A good board

Table 28, continued.

	Most Important Responsibilities of Board	Overall Performance Rating of Board	Reason(s) for Rating	General Comments
<u>Board</u>				
#5	Discipline to attend meetings; take job & do it; represent. of area	SE	Board has become more active, but need to broaden membership	
#6	Review mission; make sure serv. in line w/mission, finan. sound & adhering to regs.	VE	Rating based on bd.'s un- derstand. of serv.; financial effect. infl. by economy	Some concern about attendance but recog. have other commitments.
<u>CEO</u>	Advocate for agency--promote \$\$ & image; rep. community ints. & reflect needs; long-range plan.; bringing expertise.	SE	Some memb. join for wrong reas.- not nec. committed to mission so long learning curve; conflicts w/other commitments	Corp. Model has prod. better sit- uation for agency--more cohesive now that board prog. com- mittees eliminated.

Notes: 1) Codes: SI = Somewhat Ineffective
SE = Somewhat Effective
VE = Very Effective

2) Source: Interviews

Table 29

Maintaining a Sound Board-Executive Relationship: Network

Dimensions of Relationship

	Interpersonal	Administrative/ Technical	Structural/ Procedural	Level of Confidence in CEO's Performance
R #1	"Attention to individual by Executive; Board support of Executive"	"Financial & marketing savvy on part of CEO"	"Ability to get consent/agreement w/o causing dissent"	High: "Well-informed, skilled in negotiating w/agencies; knows how to use Board"
R #2			"Climate of open communication; making sure everyone understands roles"	High: "Interactions w/her during mtgs., rev. of printed materials, gen. obser."
R #3	"Trust, communication"	"Confidence in [CEO's] ability & judgment."	"Understanding of roles [under Corp. Model]"	High: Pers./profl. qual.; "eval. of close working relationship"
R #4	"Communication"	"Membership of each board member on at least 1 active committee"	"Open board discussions"	High: "Extensive contact"
R #5	"Respect for ea. other's abilities; trust, openness"			High: "Experience"
R #6		"A strong Bd. Chair and a stronger group of Bd. Directors"		High: "Working with her, observing her mgmt. of staff; role at meetings"
R #7	"Bd. support of President."		"Open dial.; Bd.'s understanding of agency's mission; willingness to assist"	High: Pers./profl. qual.

Table 29, continued.

<u>Dimensions of Relationship</u>			
	<u>Interpersonal</u>	<u>Administrative/ Technical</u>	<u>Structural/ Procedural</u>
			<u>Level of Con- fidence in CEO's Perfor- mance</u>
R #8	"Communica- tion, mutual respect"		"Defined & shared goals"
			<u>High:</u> "Ability to handle dif- ficult judg. situations; creative ap- proach to problems; com. skls."
R #9			"Being kept informed"
			<u>High:</u> "Interaction bet. indiv. Bd. memb. & exec."
R#10	"Mutual re- spect"		"Each per- forms their own job w/o interference from the other"
			<u>High:</u> "Work- ing w/Exec. --watching her operate"
R#11	"Open communi- cation includ- ing staff"		
			<u>Medium:</u> "Some past decis. made that were not gd./some sit- uations have been poorly dealt with incl. treat- ment of staff"
R#12	"Respect for one another, open- mindedness"		"Clear un- derstanding of respec- tive respons., flexibility"
			<u>Medium:</u> "I don't think enough leadership is provided-- more react. than proact."
R#13	"Communica- tion"		"Frequent meetings, relevant agenda"
			<u>High:</u> Pers./ profl. qual.
R#14	"Board must be constantly encouraged and thanked"		"Keep the members in- formed in writing & verbally"
			<u>Medium:</u> Concern about handling of finances

Table 29, continued.

Dimensions of Relationship

	Interpersonal	Administrative/ Technical	Structural/ Procedural	Level of Confidence in CEO's Performance
R#15	"Development of trust of all indiv. in- volved"		"Knowl. of who is in charge of what; will- ingness to work & un- derstand details of the jobs & people doing them."	<u>High</u> : "Her grasp of gen. conditions & infinite de- tails; her warmth & her efficiency; her decency & respect for every person"
R#16	"Willingness to respect exec."	"Quality and experience of board memb."		<u>High</u> : "Pers. contacts; availability, cooperative- ness; pers. commitment to agency's goals"
R#17	"Communica- tion"			<u>High</u> : "Observation"
R#18	"Open communi- cation"			<u>High</u> : "Seeing her in action under many different situations"
R#19	"Good communication"			<u>High</u> : "Performance"

- Notes: 1) Source: Board Questionnaire
 2) Code: R = respondent
 3) Operating definitions of dimensions (Webster's new
 collegiate dictionary, 1976):
- a) Interpersonal: being, relating to, or involving
 relations between persons
 - b) Administrative: of or relating to performance of
 organizational duties
 - c) Technical: having special and usually practical
 knowledge
 - d) Structural: of, relating to, or affecting a defi-
 nite pattern of organization
 - e) Procedural: of or relating to a particular way of
 accomplishing something or acting

Table 30
Clustering

	<u>Metacategory</u>	<u>Subsidiary Categories</u>
1.	Agency Context	Board Composition Board Size <u>Organizational Effectiveness</u> Financial Stability General Stability Organizational Identity <u>Style</u> Rules, Norms, Practices Values, Beliefs, Assump- tions
2.	Board-Executive Congruence	<u>Board Empowerment</u> Board-Executive Communicat. Board Educating Board Operational Awareness Board Self-Monitoring Board-Executive Role Expecta- tions Chief Volunteer's Leadership
3.	Executive Assets	Positional Power <u>Style</u> Personal Attributes Professional Background, Knowledge and Skill Tenure

Note: Some subsidiary categories are the result of combining related concepts into a meaningful whole while others represent the combining of lower-level categories.

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