

JCICS Board Meeting
June 15, 2005
In Person

Attendees: S. Pitkowsky, L. Wetterberg, R. Hackworth, R. Gibson, K. Wallace, L. Vollman, M. Hendy, R. Martin, H. Stultz, J. Clark, T. DiFilipo, D. Murphy-Scheumann

Absent: S. Wu (e)

Call to Order & Agenda: D. Murphy-Scheumann at 8:26 AM EST

Board Development, Case Studies & Mega Issue

Tecker Consultants: Paul Meyer, Board Consultant

Paul Meyer was introduced as part of Tecker Consultants, an international consulting firm that serves non-profit, for-profit and public organizations.

Agenda for Board Development Session

- Overview
- Set Framework for Meeting
- Dimensions of 21st Century Leadership
- Leadership's focus
- Discuss the Leadership Partnerships
 - o Board member to board member
 - o Board member to staff
 - o Board member to members
- Discuss the Knowledge-based Process
- Practice Knowledge-based Governance

Recent Research Suggests...

- Successful governance has more to do with the willingness of people to do things differently than with their knowing what to do differently.
- Volunteer and staff leaders who possess the desire, fortitude, expertise, knowledge and commitment to support effective governance systems are able to successfully navigate their associations into the future.
- The "will to govern well" will be critical for associations to sustain success in increasingly complex environments.

Discussion: Board must have an openness to change in order to have the ability to have impact.

Recommended Reading: Good to Great by Jim Collins

Three Keys to Sustaining the Will to Govern Well

1. A Reputation for Value - a portfolio of good stuff
2. An Enjoyable Culture – based on trust and high communication

3. A Nimble Infrastructure – that allows associations to quickly seize opportunities to create value.

Discussion: Transparency - Making information available (e.g. Board Minutes) whether or not they are read. Members have a desire to “talk to their organization”. Vocal Minority vs. Silent Majority within JCICS – when people are asked for feedback, they expect that something will be done.

The Reputation for Value – a portfolio of good stuff

Associations must become...more business-like in how they create, market, deliver, manage and evaluate their portfolio

Must also remain association-like in that preserving an identity as a community is an essential distinguishing characteristic

An Enjoyable Culture – based on trust and high communication

- **Association cultures still need to be association like!**
- **The experience of involvement needs to be**
 - o **Voluntary**
 - o **Rewarding**
 - o **& Enjoyable!**

A Culture of Trust

Three Pre-requisites

1. **Clarity and Consensus About What Will Constitute Success**
2. **Open Access to Common Information**
3. **Confidence in the Competence of Your Partners**

Discussion: There is a significant difference between trade and cause-related organizations. Trade organization members say “We want you as an organization to make us more successful; Cause-Related members say “We support what you represent”. A single organization CANNOT DO BOTH EFFECTIVELY – NOT ENOUGH RESOURCES.

A Nimble Infrastructure

- **Allows associations to quickly seize opportunities to create value.**
 - o **We must be more rational & open and less political & closed in structures and procedures or we may not survive!**
 - o **The mechanisms we use to make decisions & do work will either promote or inhibit nimbleness.**

- A sense of outcome, goal or direction
- **Someone who can communicate a vision**

The Management of Meaning

- In order to make dreams apparent to others, and to align people with them, leaders are able to communicate a vision.
- Leaders integrate facts, concepts and anecdotes into meaning and focus.
- Leaders get people to understand and support goals in a variety of ways.
- **Someone who can create “buy-in” to the issues**

The Management of Trust...

Reliability

- **Constancy**
- **Focus**
- **Authenticity**

People would much rather follow individuals they can count on, even when they disagree with their viewpoint...

- **Someone who can be counted on**

The Management of Self

Knowing one’s skills – Deploying them effectively. Leaders know themselves; they know their strengths and nurture them. They also have the ability to accept risk.

- The “Wallenda Factor”
 - o “My job is to make as many mistakes as I can as soon as possible so I can get them out of the way...”
 - o Learn from and use something that doesn’t go well.
 - o Mistakes are simple another way of doing things. They are not viewed as failures but simply as the next steps.
- **Someone who is willing to take risk**

What Leaders Choose to Focus on and How They Choose to Do It

Three Basic Functions of the Board

1. To approve outcomes to be accomplished.
2. To ensure the resources that are necessary for achievement are available and used efficiently.
3. To make sure the desired outcomes are being achieved.

Leadership’s Mission

The Board's function and responsibility, in a leadership partnership collaboration with staff, is to continually monitor the effectiveness of what is occurring in each of these arenas and to monitor the quality of the interaction among the three – to see the "Big Picture."

Discussion: A board needs to TELL committee what to do, not ASK them. The board should define expected outcomes to be achieved, provide a budget, timeframe, parameters, etc.; Oversight vs. Management; Culture – what we say & how we act must be in line; Ethics vs. Standards.

MEGA ISSUES

Trade vs. Cause

What is our current vs. future culture

Need for additional funding

AH-HAHS

Is JCICS having impact?

Trust vs. transparency

Board Roles in Operational Oversight

- Financial Oversight
- Risk Management
- Program Monitoring and Evaluation
- Legal and Moral Oversight
- Evaluation of the Chief Executive
- Board Self Assessment

Discussion: Term limits for board members, average is a 3 year term with an option to run for an additional 3 year term. Number of board members, recommend the less the better, but some boards have worked well with 50. It is always more about process than length of time or number of people.

Developing and Sustaining a Leadership Culture

- Leadership Mechanisms
 - o What leaders pay attention to
 - o What and how they communicate
 - o How they react to critical incidents or crisis
 - o What and whose behaviors they reward
 - o Who is recruited
- Organizational Mechanisms (*Will only work if consistent with leadership behavior*)
 - o Governance and volunteer work force design and structure
 - o Systems, policies and procedures
 - o Staff's structure and processes
 - o Formal plans, philosophy, and charters

Discussion: Board members behavior in the board room and in their organizations needs to be consistent. The goal is not that all board members agree on the outcome of every decision, but that they leave the board room with respect for how the decision was made. Communication through minutes, "Whereas the board considered XYZ, therefore the board has decided XYZ".

Leadership's Mission Micro Case Studies

1. Association Operations – A new board member requests adding an item to the board meeting agenda. The item is a complaint by a member over the high cost of hotel room rates at the last

annual meeting. The member does not understand why the association cannot negotiate lower rates. The board member would like the board to consider using a different hotel in the future.

- *What principles of board leadership should be considered in discussing this issue?*
- *How do you respond to this request?*
- *What do you avoid this happening in the future?*
- *What do you follow-up?*

Discussion: Members have the right to complain about anything. They are OWNERS, CUSTOMERS, and PRIMARY WORKERS of the organization. Board must listen to the members, defend the organization, and ensure it is run appropriately. The above issue should be channeled to staff.

2. Association Culture – A board member strongly disagrees with a policy decision supported by the rest of the Board. This board member knows that several other member organizations also strongly oppose the policy decision.

- *What principles of board leadership should be considered in responding to this issue?*
- *How should the Board respond?*
- *How do you follow-up?*

Discussion: The board must ensure that they have taken an appropriate amount of time to thoroughly discuss an issue before voting on it. This has been a past issue, the root of which has been a trade vs. cause disagreement.

3. Association Direction Setting – A new board member has always wondered whether the organization is a trade association or is an association to support causes. This board member raises this question at a board meeting.

- *What principles of board leadership apply to this situation?*
- *Should this issue be discussed?*
- *If so, “how” and “when”?*

The Leadership Partnership

- Positive indicators of a successful leadership partnership are:
 - o Clarity & Understand of Roles, Where Neither Behaves as Superior Or Inferior
 - o Commitment to Mission and Values
 - o Good Communications and Information
 - o Long Range Goals and A Defined Set of Results
 - A Common Understanding & Expectation of Where We’re Going, Why, How We’ll Get There, and How We’ll Know We’re There
 - o Cooperative Evaluation of Progress
 - A Board Committed to Appraising Both Progress and Achievement
 - Staff Management Accountable to Perform and Demonstrate Progress
 - Volunteer Workgroups Committed To and Accountable For Accomplishing Work

A Board Member’s Responsibilities

Individual Board members must discharge two important duties:

1. The Duty of Care:

- **The care that an ordinarily prudent person would exercise in a like position and under similar circumstances.**
- **Stay informed and to ask questions.**
- **Reading minutes and background materials for proposed decisions.**
- **Asking questions when clarification is needed.**
- **Participating in Board dialogue and deliberations.**

Discussion: Attendance is vital. A board member should feel that by missing one meeting they will be missing a lot. Discussion should take place AFTER a motion has been put on the table.

2. The Duty of Loyalty:

- **When making decisions, Board members must show undivided allegiance to the organization's welfare.**
- **The prospect of personal gain or gain for another party with which the Board member is affiliated must not enter into the decision.**
- **Wise Board members disclose conflicts of interest and refrain from participating in the Board's discussion and voting on the matter in question.**
- **Conflict of interest policies should cover likely conflict situations, such as business dealings and nepotism.**

Discussion: Service on two boards is possible, but a member must be willing to disclose when there is a conflict of interest.

Transparency and Trust in Governance

- Governance's processes for work and decision-making must be transparent in order for leaders to earn the trust of members.
- In order to this members need to view governance as credible and legitimate.
- When the process of governance is viewed as credible, members view the process by which decisions are made as one based on rationality, not on political power; the reasonable use of information gathered from a variety of sources.
- When the process is viewed as legitimate, members believe that all of the views of all the important voices were part of the conversation that led to judgment.

Representative For

- If Board members believe they are "*representative for*", then they see themselves as the elected representatives of a particular constituency.
- They voice only the self interests and opinions of that constituency, and vote only on behalf of that constituency's interests.

Representative Of

- Board members who view their role as ensuring the views, beliefs, values and self interests of the constituencies they know the best are on the table as part of the conversation, are "*representative of*".
- They ensure that others are informed of the views of the constituencies that they understand best.

- They participate in a collective dialogue and deliberation based on what is in the best interests of the organization itself.

Discussion: We come in with DIFFERENT voices, but the question is how to use it to create a RICH board. Appointment versus election of board members may depend on whether you are cause or trade. Many organizations use their nominating committee to appoint board members rather than being elected by the organization. Each year you need new knowledge base and new skills every year. A portion of the board could be elected, and a portion could be appointed.

Representative For Vs. Representative Of Micro Case Studies

1. **You are a board liaison to Caucus X. Caucus X strongly disagrees with a recent decision of the Board. They bring their disagreement to you and request that the Board reconsider their decision. You happen to agree with Caucus X.**
 - *How do you handle your initial communication with Caucus X in response to their issue?*
 - *How do you communicate the issue to the Board?*
 - *How do you follow-up with Caucus X?*

Discussion: When a decision is made, a decision is made. Sometimes it can change. Every caucus has the right to bring things to the Board's attention. A board liaison may have a program in the country. If they don't, there must be a process in place where they can collect the information in order to represent the membership well.

2. **You serve as a voting member of this Board. You also serve on another Board within the filed. You feel that it is your responsibility to be the "informal liaison" between the two organizations – communicating decisions back and forth.**
 - *Is this appropriate?*
 - *How do you best represent the other organization?*
 - *What is appropriate to communicate and what is not?*

A Role Continuum for The Chief Staff Officer

Indentured
 Servitude
 Clerk
 Administrator
 Manager
 Technical Expert
 Facilitator
 Advisor
 Planner
 Strategist
 Visionary
 Religious-like
 Deity

Board/CSO Roles

The Board

The CEO

RESPONSIBLE	INVOLVED		RESPONSIBLE	INVOLVED
√		← Governance →		√
	√	← Administration →	√	
√		← Decides What →		√
	√	← Decides How →	√	
√		← Makes Policy →		√
	√	← Carries Out Policy →	√	
√		← Sets Goals →		√
	√	← Plans to Achieve Goals →	√	
√		← Reviews Plans →		√
	√	← Implements Plans →	√	
√		← Monitors Progress →	√	√

The Chief Staff Executive's Role

The most able staff CEO's help their boards be strong, knowing that in doing so, they are not giving up authority. Six functions of a CEO are:

1. Facilitating interaction in board relationships.
2. Showing consideration and respect toward board members.
3. Envisioning change and innovation with the board.
4. Promoting board accomplishments and productivity.
5. Initiating and maintaining a structure for board work.
6. Providing helpful information to the board.

Leadership Partnership Micro Case Studies

1. You are speaking at a meeting taking place in one of your liaison countries. After the presentation, the executive director of a member organization complains to you about the inexperience of the association's Executive Director.

- *How do you respond initially?*
- *How do you follow-up?*

Discussion: If members criticize Meghan's age, you hear out the member, empathize, and defend the decision the board made.

2. You receive a strong complaint from one of your liaison countries about the performance of the JCICS President during a recent visit of the President to this country.

- *How do you respond initially?*
- *How do you follow-up?*

Discussion: Guatemala – the board should have been informed of the trip. There are some decisions that can be made by the ED & President so long as the board is informed about the decision that was made.

3. A recent decision was made between board meetings by the President and the Executive Director to give \$1,000 to a Foundation on behalf of the association. The money was not budgeted specifically for this reason, but was available under another line item. There are several Board members that disagree with this decision.

- *Is this an appropriate action?*

- *As a Board member that disagrees, what do you do?*
- *How does the association follow-up?*

How Does a Well-Functioning Board Operate in its Leadership Partnership?

Board Self-Assessment

The association leadership experience is a group experience and a group responsibility. This group experience is most successful when expectations are clearly defined and agreed to by all parties. One way a Board can promote clarity of purpose is by engaging in regularly scheduled self-evaluation process.

The purpose of this survey is to focus on key responsibilities, relationships, and outcomes – and to foster an environment of organizational excellence. Only a commitment of the part of the Board and staff members to strengthen the capacity for group excellence can overcome the complex challenges facing many associations today.

Following sections were answered on a scale of 1 to 6, with 1 being equal to “not at all like us” and 6 being equal to “very much like us.”

Oversight and Direction Setting

- We participate in Board meetings where the majority of the agenda and Board time is focused on issues of direction setting, policy and strategy.
- We maintain sound fiscal policy and practices and realistically face the financial ability of the organization to support its program work.
- We are committed to strategically planning for the long-term future of the organization; consider this a regular activity of the Board, and weigh all decisions in terms of what is best for those served by the organization.

Discussion: #1 – In the past year this was a one, going forward it feels like a five. #2 – Consensus around a five. #3 – We are committed to this, but haven’t done it yet, a four.

Board Meetings & Relationships

- We honor established procedures for Board meetings, providing ample time for interested parties to be heard, but preventing a single individual or group from dominating discussions.
- We seek ways to support all elected leaders and fellow Board members in the successful execution of leadership duties. We seek to recognize the strengths of each individual and provide opportunities for the organization to benefit from these strengths.
- We make informed decisions based on data available, and support the organization’s commitment to collecting the information needed for sound decision making.
- We seek and respect the opinion or recommendation of staff management when considering a decision and insure that Board committees and other work groups are given proper authority and resources for completion of assignments. We do not redo the work of committees or work groups.
- We take the appropriate time for decision making (e.g., controversial items are given adequate attention, and matters of urgency are acted on with deliberate speed) and present decisions of the Board without bias to others.

Discussion: #1 – In the past year was a one, going forward it is a five. #2 – Gave ourselves a 2 or 3 on our way to improving this. #3 – Middle score, also improving. #4 – A four or five with room for improvement. #5 – Currently a five.

Relationship With Chief Staff Executive

- We have clarified (in writing, if appropriate) a mutually agreed upon definition of what success will look like for the organization, and for the performance of the CSE, and we have provided the resources and authority necessary to achieve expectations.
- We have provided the CSE with a clear statement of the personal qualities and performance expectations against which he/she will be measured periodically; and we have agreed to a formative process for providing feedback as plans are being executed.
- We provide opportunities, encouragement and resources for the professional growth and development of CSE and staff.
- We discuss immediately, rather than allow to fester or deteriorate, those items that are controversial to either Board members or the CSE.

Discussion: #1 – a low score, but this is something the board is working on and getting better about. #2 – general consensus was a four/five. #3 – a four, needs some improvement. #4 – a high score, five or six.

Stakeholder Relationships

- We actively foster a clear understanding of the organization, its future direction, and its leadership decision among the stakeholders, and actively foster open lines of two-way communication and information sharing between leadership and stakeholders.
- We seek to be fully informed of stakeholder attitudes and the special interest groups seeking to influence the organization, and are fully prepared to represent the interests of the organization to others.
- We act responsibly in channeling concerns, complaints, and criticisms of the organization through the chief staff officer/chief executive officer, and we speak thoughtfully in the face of unjust criticism of others.

Discussion: #1 – a one, this needs major improvement. #2 – a four, needs some improvement. #3 – a three, this needs work.

Personal Qualities

As Individual Board Members...

- We demonstrate an ability to think independently, grow in knowledge and rely on fact rather than prejudice, and are willing to hear, understand, and consider all sides of a controversial question.
- We show respect for the intentions and interests of others, for group decisions cooperatively reached, and present decisions of the Board to others without filter of our personal biases.
- We have a willingness to devote the necessary time to fulfilling the responsibilities of a Board member as outlined in the organization's written position description.
- We take the appropriate time for decision making (e.g., controversial items are given adequate attention, and matters of urgency are acted on with deliberate speed.)

- We focus on “ends” rather than “means” and we do not have a tendency to redo the work of committees or work groups.
- We are prepared to let go of our leadership roles and fully support (not interfere with) those who follow in future leadership.

Discussion: #1 – in the past a low score, moving forward a high score. #2 – same as #1 - #3 – a four or five, could use a little improvement. #4 – currently a five. #5 – currently a five. #6 – a five as well.

Knowledge-Based Governance Strategy

A philosophy of governance and decision-making that forms a basis for the installation of an underlying process of ongoing strategic thinking and strategy development. It embraces these basic and long-standing concepts of effective leadership that allow volunteer leaders to govern strategically:

- Successful governing bodies define and delegate rather than react and ratify.
- Effective leadership focuses on the outcomes desired rather than on the activity required.
- Strategic leadership means focusing on what needs to happen next, rather than on what has already been done.
- Good leaders spend their valuable and limited time together using information not collecting it.
- Issues of capacity, core capability, and strategic position should be routinely considered in deciding what to do.
- Fiduciary responsibility can be exercised by defining desired outcomes consistent with strategic intent and core values, rather than detailing how an outcome is to be achieved or re-managing work after its been accomplished.

Discussion: Contractors & Dentists examining what the “in” colors will be in five years, or defining the shade of “white” most appropriate for teeth. Need to ask if we have the CAPACITY to accomplish what we think we want to do? Are we the right organization to do this?

Three Obligations of Leadership

1. To ensure that the leadership team has access to a common stream of information from members and stakeholders that allows them to understand members’ view of the world.
2. To provide a coherent stream of information back to members and stakeholders that allows them to understand not just *what* decisions have been made, but *why*.
3. To bridge the gap between members/stakeholders view of the world and the views held by those who lead them.

Four Key Questions for “Knowledge-Based” Decision Making

- Question 1. What do we know about our members/prospective members/customers – needs, wants, and preferences, that is relevant to this issue?*
- Question 2. What do we know about the current realities and evolving dynamics of our members marketplace/industry/profession, that is relevant to this issue?*
- Question 3. What do we know about the “capacity” and “strategic position” of our organization that is relevant to this issue?*
- Question 4. What are the ethical implications of our choices?*

* What do we wish we knew but don't?

Dialogue Before Deliberation

Dialogue – To Inform and Understand

- seeks to ensure common understanding of information impacting a decision through thoughtful consideration and inquiry.
- Promotes understanding of our “mental models”, beliefs, assumptions, values impacting the way we see an issue

BEFORE

Deliberation – To Evaluate and Decide

- To persuade, to advocate, to enlist
- To justify a position as “right”
- To come to conclusions

Self Discipline

- suspend your natural inclination to immediately judge and sort
- promise to ask and answer
- own your idea

Own Your Idea

- “We know...” --- “*How do we know?*”
- “I believe...” --- “*Why? What experience?*”
- “I feel...” --- “*Why? What values?*”

Principles of Consensus

Practical Consensus exists when the following conditions have been met:

- The majority has made every possible effort to mitigate disadvantage to the minority
- Group members are willing to sacrifice their personal position for the sake of the whole group and those it is accountable to.
- Members act as if the decision were their own.

JCICS Mega Issue Question:

Core Purpose of JCICS: Permanency for children

How This Is Done: Adoption

How should the organization be structured in order to achieve the greatest impact on supporting permanency for children? (global, international)

Question 1

Know:

55% members small agencies < 75
39 states represented & 1 Canadian member
17% non-agencies
50% income from 38 of 209 agencies
92% retention
Financially dependent on membership dues
% of members do not meet ethical standards
Limited by our by-laws to North America

Believe:

Small group wants JCICS to be a trade organization
Majority wants to be cause driven
Standing would be much stronger both domestically & internationally if NOT seen as trade
Large group, need operational support
Need to bring in broaden base to support permanency for children or int'l adoption will end
Should not be involved in adoptive parent's personal issues
More individuals and groups who are interested in permanency for children than there are current members

Feel:

Without long-term planning, loss of focus & leadership role which impacts permanency for children
Without effective advocacy int'l adoption may come to end
Need to recruit int'l members, both public & private

Question #2

Know:

Increased regulations
Increasing # of children in alternative care/orphanages
Litigious society/liability increasing
Political realities (EU, nationalism...)
Increasing costs
Increase demand for adoption services
Increasing professionalism (degrees) within the field
Less eligible children
Increased client knowledge both + & - impacting field
Ignorant/non-responsive government
Leadership in industry is aging
Internet is impacting field

Believe:

More competition (agency to agency and JCICS to other child welfare groups)
Increase in adult adoptees within the field
No succession plan

Feel:

Cutting Corners to do Placements
Increasing uncertainty, causes distress

No control over regulation/legislation
Losing public relations battle

Question #3

Know:

Limited staff
Limited funds, dependent on dues 61% dues 39% conference
The will of board and staff is there for advocacy
We have a reputation domestically for advocacy
Fundraising, to date, has been ineffectual

Believe:

Caucuses will work to advocate for permanency
Members have limited time to commit
There are other organizations with similar beliefs/concerns
We are beginning to gain reputation globally
Our materials support permanency for children but our resources are primarily focused on advocating for int'l adoption

Feel:

Properly motivated and equipped they will find the time to advocate
We could have a broader reach and greater impact focusing on permanency rather than int'l adoption

JCICS Mission is Global Permanency for Children.

This includes 3 Tiers:

Birth Family
Domestic
International

All 3 Tiers are of equal value, though the focus of JCICS' efforts may sometimes be only on one tier due to environmental changes.

Program Lines:

Advocacy
Education – skills training
Public Awareness
P.R. – Service/Outreach/Aid
Research
Standard Setting

Further discussion took place about the legal definitions of a cause organization versus a trade association. JCICS is potentially a hybrid of both, but as a 501 c (3) JCICS cannot lobby. If JCICS was

a 501 c(6) it could not accept grants. Each tax status has its freedoms and limitations that must be considered when examining the role that JCICS can play.

The board made a commitment to grow in our focus on a three-tiered approach to permanency over time. An article will appear in the next newsletter informing the membership about the Board Development Sessions with Tecker Consultants, and the commitment to developing a strategic plan for JCICS.

MOTION: To recess the meeting at 4:48 PM EST.

T. DiFilipo MOVED/ L. Vollman SECONDED PASSED by Majority

Respectfully Submitted,

Heather Stultz, Secry

Action Items:

1. Staff – include article in the next newsletter regarding the board development sessions with Tecker consultants and the commitment to developing a strategic plan for the organization.