

Kaizen

Taking the organization to the next level.

“Can you help us take our association to the next level?”

It is a frequent question among boards and executive directors. Many cite Jim Collins’ book, “*Good to Great*” to describe a transition to becoming better associations.

Micro Focus

While every organization wants improved outcomes, this is difficult to do if staff is busy “putting out fires” and board meetings are characterized as “micromanaging.”

For example, the board agenda may include annual conference objectives to enhance industry competency and consumer satisfaction. But conversations quickly drop to the tactical level of coffee breaks and hospitality suites.

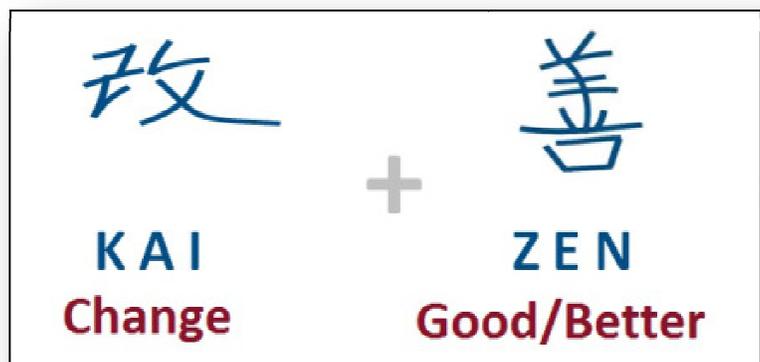
Directors lose vision when they focus on minutiae. The adage to best describe the nonprofit environment is, “we can’t see the forest for the trees.” The expression refers to a person or group so involved in the details that they fail to see the opportunities and situation as a whole.

The Process of Improvement

One must step back to view the “forest” in order to identify areas for improvement. Small enhancements to systems and documents can yield lasting results.

In eastern cultures the process is called – KAIZEN. It is the practice of continuous improvement. It is a pillar of an organization's competitive strategy.

Ben Bolusky, chief executive officer at the Florida Nursery, Grower and Landscape Association says, “Any association naively resting on its laurels in this frenzied world of reshaping forces will swiftly be branded as irrelevant by its members – and get run over.”



To start the process, board and staff should agree that enhancements can be beneficial. Then prioritize a list of processes, systems or documents that may be out of date, cause frustration or are simply pointless. Strategize as a team about how to make improvements.

The California Chiropractic Association was founded in 1928, explains elected president, Brian A. Stenzler, MS, DC of San Diego. “Without giving it much thought back then our founders created some bureaucratic processes out of touch with today’s members’ expectations, causing us to be much less relevant. Since the board and staff made a commitment to improve the organization, we’ve made great strides. It required the board to be honest about processes and desired outcomes, and to persevere.”

Ten Elements to Take Up a Notch

Board Meetings – Are meetings too frequent or too long? Is the room set-up conducive to conversation and decision making? Is the mission statement visible? Do guests or ex-officio persons inhibit dialog? Has the agenda been crafted to ensure that the board focuses on mission and goals; not just reports and updates?

Bylaws – If bylaws have become lengthy, inconsistent or hard to read, how can they be improved? Should policies be moved to a policy notebook? Are they compliant with the state’s not-for-profit corporate requirements? Should authority for basic amendments be transferred from the membership to the governing body?

Leadership Manual – Does the board have access to current documents through a leadership manual distributed annually, or in a password protected portal? Do directors attest or sign that they have received and committed to read? Does it include organizational charts, calendars, strategic plan and the essential notices of conflicts of interest, confidentiality and antitrust avoidance?

Strategic Plan – Creating the strategic plan is the *start* of a process that results in a multi-page report. Too often after the retreat it is simply shelved. Transform the plan into a brochure to inform members and prospects. Monitor progress by agreeing upon performance measures. Appoint a plan champion to report on progress periodically.

Director Orientation – Review the process, content and delivery of orientation. It should be conducted yearly as a refresher for the entire leadership. At that time, conflicts of interest should be discussed, risk awareness considered, commitment forms signed, and access to the governing documents, budget and strategic plan emphasized. Invite committee chairs and future leaders.

Committee Structure – Committees should not be sacred cows that cannot be merged or eliminated. There is a trend to replace standing committees with task forces or quick action teams. Be sure every committee has a clear purpose statement, current-year expectations and performance measures. Do committees align with the goals in the strategic plan? Do they have the support of committee liaisons from board or staff?

Chapters – Local components can be invaluable in serving members and advancing programs. They are closest to the members but may lack resources. If a network of chapters exists, assess their strengths and weaknesses. Determine the proper structure to ensure they are in legal compliance and have minimum risk. Provide templates and tools for chapters to support effectiveness.

Reports – Committees and staff reports keep the board informed. Busy volunteers seldom have time to read or sit through a series of oral reports. Move non-essential reports to a consent agenda, often saving hours at board meetings. Have the board identify the information it wants tracked so that staff can create dashboard reports depicting trends, successes and gaps. Use external benchmarks to gauge association performance.

Financial Reporting – Financial reports are best understood when presented in comprehensive, consistent formats. Do minutes consistently reflect the board’s acceptance of the reports? Would pie charts supplement financial reports to improve understanding? Does everyone on the board understand financial statements and budgets? Should a CPA do a refresher course on nonprofit financial requirements? Does the board understand their relationship to IRS Form 990?

Governing Body – The organization relies on the board of directors to effectively govern, not manage. Is the board the right size (the average is about 15 directors.) Are directors selected based upon competency, or chosen by geography or chapters? Does the board conduct an annual self-evaluation? Has a review of governing structure and documents been conducted recently?

Up organizational performance by identifying processes that can be enhanced.

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Note: Bob Harris, CAE, provides association management and governance tips and templates at www.nonprofitcenter.com.