



2019

# BUILDING BETTER ASSOCIATION BOARDS: ADVANCING PERFORMANCE THROUGH NOMINATION, RECRUITMENT, AND SELECTION PROCESSES

BY WILLIAM BROWN AND MARK ENGLE, DM, FASAE, CAE



Research from



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*The authors have worked diligently to ensure that all information in this report is accurate as of the time of publication and consistent with standards of good practice in the general management community. As research and practice advance, however, standards may change. For this reason, it is recommended that readers evaluate the applicability of any recommendations in light of particular situations and changing standards.*

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ISBN: 978-0-88034-569-9

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**RESEARCH.  
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## **This research was supported by the ASAE Foundation.**

We thank our colleagues there who provided insight and guidance that greatly assisted the research and improved the final report. From the Governance-Board Selection Processes Research Task Force: Mona Buckley, MPA, CAE; Marc Beebe, CAE; Hannes Combest, CAE; Megan Freedman Cruz, CAE; Eve Humphries, MBA, CAE; Debra McGuire, MBA, IOM, CAE; Natasha Rankin, CAE; Monika Schultz, CAE; John Thorner, JD; and Todd Von Deak, MBA, CAE. From the ASAE Foundation Staff: Jennifer Nelson; Keith Skillman, CAE; Sharon E. Moss, PhD, CAE; Emily Rabbitt; Baron Williams, CAE; and Susan Robertson, CAE.

We thank the team of professionals from Texas A&M University for their valuable help and input: Shannon Coyle and JoEllen Reece for developing the literature review, and compiling case summaries, and Seooun (Grace) Jung for helping with survey data and analysis.

We are also grateful to the staff at Association Management Center who contributed in numerous ways: Sonya Jones, Katie Macaluso, Deb Woodall and Timothy Utesch for their creative development of graphics for the report; Kelly Becker and Joan Hastings for their expert skills in report development; Bruce Hammond and Phil Saigh for their experienced commentary and analysis of the appendix documents; Anne Cordes for her professional expertise in conducting case study interviews and analyzing the results; and especially Peggy Fergus for her overall management of the project.

We are also appreciative of Judith Millesen (Ohio University) for her assistance in conducting case study interviews and her expert commentary on the results.

We thank Nathan Breen, Esq. of Howe & Hutton for his legal research and commentary.

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## A combination of the right skills and diverse perspectives allows boards to perform at the highest levels.

Successful boards drive the strategic direction of an association toward achieving its mission and vision, making it critical to have the right people leading the charge. In this study, researchers investigated the following questions:

- What practices are utilized to select board members?
- How prevalent are the practices?
- What practices account for better performing boards?

The findings pointed to ascertaining board competencies as the most influential step to having a high-performing board.

The Board Member Competencies and Selection study, which is the subject of this report, builds on past governance research from the ASAE Foundation and other sources. This research reinforces the importance of putting the right people in place to drive significant changes toward more effective governance. Current literature provides a good sense of what it means to be an effective board: “Most successful boards have a strategic focus; they have a culture of learning, self-assessment, and accountability; and they have developed effective recruitment and development practices.”<sup>1</sup> Unfortunately, far too many boards are not as functional as necessary, and when considering composition and diversity, most boards are below par.<sup>2</sup> Focusing on composition is a critical step in building a highly capable board.

This report summarizes key findings from the Board Member Competencies and Selection study. Researchers drew from a literature review and data compiled from cases that examined the recruitment and selection practices of five associations identified through industry contacts and selected outreach. An additional 10 associations were studied for certain leading practices within the overall nomination and selection process. From these fifteen sources, researchers developed a recruitment and selection model detailing the steps and decisions necessary to identify and select high-quality board members for trade and professional associations, certification boards, and foundations. This model is presented in the nomination process diagram that details the steps necessary to identify and select board members. The process steps cover the three phases in the nomination process: specification of board composition needs, recruitment of prospective board members, and selection of board members.

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<sup>1</sup> Gazley, B., & Bowers, a. (2013). *What Makes High-Performing Boards: Effective Governance Practices in Member-Serving Organizations* (ASAE Association Management Press: Washington, DC, 2013).

<sup>2</sup> *Leading with Intent: A National Index of Nonprofit Board Practices* (BoardSource: Washington DC, 2015).

The aim of this project is to help association executives and leaders refine or modify recruitment and selection practices to reach optimal board performance. These practices include the ability to anticipate, minimize, and resolve challenges in board selection to further help identify, cultivate, and secure competent and capable board members. An uncomfortable truth that many association executives who participated in this research articulated was that many board members approach their work with outdated conceptions of the association, the industry, and their role. This concept was expressed not just by executives, but also by volunteers, many of whom appreciated that they did not have the right skills, training, or experience necessary to lead in a 21st-century association. Those same volunteers were often instrumental in helping shift practices to increase the likelihood of getting qualified, capable board members willing to commit time and effort to lead the association. This report does not offer one specific approach to selection and nomination processes for high-performing boards. Rather, it offers some techniques, tools, and practices that can improve the quality of governance. The complete findings of this study will be released this summer in an expanded format which will include a collection of templates that can be applied to the nominations and selection processes.

## **A number of leading practices emerged from analyzing the board-selection processes of highly effective boards.**

These practices are referred to as leading practices rather than best practices because no two organizations are alike. The practices should be taken in context with the organizational factors that apply.

### **Role of the Nominating Committee**

Consider redefining the nominating committee as the leadership committee or the leadership development committee.<sup>3</sup> A nominating committee's charge typically focuses on the steps required to prepare a slate of board candidates, which is often an in-depth process that is influential to the future of the organization's leadership. However, a leadership or leadership development committee takes that charge even further, assuming roles such as identifying, cultivating, and recruiting future leaders, and developing new leaders with training opportunities.

### **Competency**

The most effective boards are made up of groups of individuals with essential and complementary leadership competencies. To build a competency-based board, start by identifying the competencies and experiences desired of board members, and where gaps exist. The leadership committee can use this information to craft job descriptions that clearly communicate the desired competencies and skills for the position, as well as the roles and responsibilities the job entails. This helps to narrow the field of applicants and to identify people who are prepared to meet the obligations of the job and help the board meet the strategic goals of the organization. Job description criteria should be updated annually and shift as board members rotate off in order to maintain the necessary balance of competencies.

### **Diversity**

Nominating committees have a significant role in creating a diverse board. Participating organizations used different definitions of diversity, including age, gender, race, and ethnicity, practice setting or specialty, and academic or community organization affiliation. Two practices may help the nominating committee achieve diversity. First, if the organization employs a competitive election process, the nominating committee can

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<sup>3</sup> Some participating organizations called the volunteer body in charge of board selection a nominating committee, others a leadership or leadership development committee. "Nominating committee" in future references, can refer to any of these committees, all of which are charged with board selection.

decide to designate some seats as contested and some as uncontested. Second, instead of automatically re-slating board members eligible for a second term, they should be evaluated by the same competency and diversity requirements as other candidates.

## **Officer Elections**

Holding noncompetitive elections for officers is considered a leading practice. Having either the nominating committee or the board do the vetting reduces the likelihood that unselected members in competitive elections become disengaged, and also results in a competency-based system. In noncompetitive elections, the leadership slates officers based on alignment of competencies with desired strategic needs. Officer positions are filled by someone who has recently sat on the board, commonly current board members.

## **Role of the CEO**

The CEO should be able to provide input to the leadership committee during the selection process on the needs of the board, executive committee group dynamics, and diversity needs. This practice was linked to strong organizational performance. CEOs should also consider the future officer potential of individuals under consideration as new board member candidates.

**Research results from the literature review indicated that the right mix of board members with the requisite knowledge, skills, and other characteristics contributes to the performance of the board and the organization.<sup>4</sup>**

Researchers looked at an array of studies to determine competencies of individual board members, with the aim of providing a comprehensive summary of conceptually distinct critical competencies. Five areas of critical competency for board members were identified: personal skills, interpersonal skills, group skills, technical skills, and personal attributes (Figure 1).<sup>5</sup> The 12 most significant and empirically supported competencies for board members were clustered in these skill areas.

**figure 1**  
FIVE GENERAL LEADERSHIP SKILL AREAS AND RELATED BOARD COMPETENCIES

Source: Board Member Competencies and Selection Study

Group Skills	Interpersonal Skills	Personal Skills	Technical Skills	Personal Attributes
<ul style="list-style-type: none"> <li>• Team orientation</li> </ul>	<ul style="list-style-type: none"> <li>• Communication</li> <li>• Relational</li> <li>• Influence</li> <li>• Reputation</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic</li> <li>• Innovative</li> </ul>	<ul style="list-style-type: none"> <li>• Knowledge of the field and organization</li> <li>• Expertise and experience</li> </ul>	<ul style="list-style-type: none"> <li>• Commitment</li> <li>• Integrity</li> <li>• Capacity</li> </ul>

**Group Skills**

The ability of individual members to work as a dynamic team is critical to high-performing boards.<sup>6</sup> While all of the competencies discussed are related in some way to working in a group, the discussion of the group skills designation here references the predisposition of an individual to be effective in a group.

<sup>4</sup> Conger, J. A., & Lawler, E., III. *Building a High-Performing Board: How to Choose the Right Members*. (Business Strategy Review, 12(3), 2001), 11-19.

<sup>5</sup> Katz, R. L., *Skills of an Effective Administrator*. (Harvard Business Review 33(1): 33-42, 1955); Northouse, P., Guy. *Leadership: Theory & Practice*. (Sage: Thousand Oaks, CA, 2010); Whetten, D. A., & Cameron, K., S. *Developing Management Skills* (7th ed.). (Prentice Hall: Upper Saddle River, NJ, 2007).

<sup>6</sup> Conger, J., & Lawler, E. E. *Sharing Leadership on Corporate Boards: A Critical Requirement for Teamwork at the Top* (Marshall School of Business Working Paper No. MOR, 19-09, 2009); Dalton, C. M., & Dalton, D. R. *Boards of Directors: Utilizing Empirical Evidence in Developing Practical Prescriptions* (British Journal of Management, 16(s1), 2005), S91-S97.

**Team orientation** is an inclination to solve problems through the work of the group rather than through individual initiative, and to prioritize group goals over individual priorities.<sup>7</sup> This increases task involvement by individual team members and creates cohesive decision making.

## Interpersonal Skills

Interpersonal skills are the skills and competencies that support building and sustaining relationships with others.

**Communication** is the ability to convey information effectively and to listen to others. Effective communication between and among board members decreases uncertainty, increases the shared knowledge of the board,<sup>8</sup> and builds a positive board culture and a cohesive board.<sup>9</sup>

**Relational** competency is the ability to nurture the development and cohesion of a team by building trusting relationships, which creates a climate in which the talents and abilities of all board members are more likely to be used. The relational competency refers both to building relationships among board members and connecting the board to external stakeholders.

**Influence** is the capacity to have an effect on the behavior and decision making of others and is related to three types of social power: personal power, expert power, and position power.<sup>10</sup> Personal power is based on the characteristics and relationships of the individual. Expert power is based on the knowledge and information an individual brings to a situation. Positional power is an individual's formal authority within the board or organization.<sup>11</sup>

**Reputation** is the perception others have of the character or capabilities of an individual. The board as a whole gains legitimacy when individual board members possess a positive reputation.

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<sup>7</sup> *Competency-Based Governance: A Foundation for Board and Organizational Effectiveness* (Center for Healthcare Governance, 2009).

<sup>8</sup> Wincent, J., Anokhin, S., & Örtqvist, D. *Does Network Board Capital Matter? A Study of Innovative Performance in Strategic SME Networks* (Journal of Business Research, 63(3), 2010), 265-275.

<sup>9</sup> Parker, L. D. *Internal Governance in the Nonprofit Boardroom: A Participant Observer Study* (Corporate Governance: An International Review, 15(5), 2007) 923-934.

<sup>10</sup> Conger, J. A., & Lawler, E., III. *Building a High-Performing Board: How to Choose the Right Members* (Business Strategy Review, 12(3), 2001), 11-19

<sup>11</sup> Pfeffer, J. *Understanding Power in Organizations* (California Management Review, 34(2), 1992), 29-50.

## Personal Leadership Skills

Personal leadership skills are the decision-making and intellectual perspectives that individuals bring to the board room.

**Strategic** competency is the ability to analyze issues and to make decisions that set and support the intended direction of the organization. Board members should be able to analyze events, perceive trends, anticipate changes, recognize opportunities and threats,<sup>12</sup> and apply this information to setting the strategic direction of the organization.

**Innovation** results in the creation of new solutions and fosters new ideas. Innovation is related to entrepreneurial orientation, which is a willingness to innovate, take risks, and be proactive. This orientation leads to new ideas and approaches.<sup>13</sup>

## Technical Skills

Technical skills are professional areas of expertise such as finance and human resource management as well as knowledge of industry operating practices and systems.

**Knowledge of the field and organization** gives board members important context to make informed decisions and provide direction for the board. This competency enables board members to make strategic innovative decisions as a result of their knowledge.<sup>14</sup>

**Expertise and experience** contribute to a broader knowledge base for the board. Expertise is knowledge and information in areas that the board needs to offer guidance and advice on critical issues.<sup>15</sup> Life experiences from a diverse board can produce greater levels of efficiency and reduce the likelihood of significant knowledge gaps.<sup>16</sup>

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<sup>12</sup> Dalton, C.M., & Dalton, D.R. *Boards of Directors: Utilizing Empirical Evidence in Developing Practical Prescriptions* (British Journal of Management, 16(s1), 2005). S91-97.

<sup>13</sup> Lumpkin, G. T., & Dess, G. G. *Clarifying the Entrepreneurial Orientation Construct and Linking It to Performance* (The Academy of Management Review, 21(1), 1996), 135-172.

<sup>14</sup> Wincent, J., Anokhin, S., & Örtqvist, D. *Does Network Board Capital Matter? A Study of Innovative Performance in Strategic SME Networks* (Journal of Business Research, 63(3), 2010), 265-275.

<sup>15</sup> Conger, J. A., & Lawler, E., III. *Building a High-Performing Board: How to Choose the Right Members* (Business Strategy Review, 12(3), 2001), 11-19

<sup>16</sup> Bader, S., *Competency-Based Succession Planning* (Great Boards, 2010).

## Personal Attributes

Personal attributes are attitudes and dispositions that are reflective of an individual board member's personality and professional environment.

**Commitment**, an emotional attachment to the organization, is an important competency for an individual member.<sup>17</sup> Members who are committed to the organization work harder and more effectively toward organizational goals.

**Integrity** describes an individual who is honest and openly acknowledges when issues could lead to conflicts of interest. Integrity creates an environment of trust and timeliness that can improve performance.<sup>18</sup>

**Capacity** refers to an individual's ability to take part in governing the organization.<sup>19</sup> Board members need to have both the time and cognitive capacity to fully engage.<sup>20</sup>

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<sup>17</sup> Preston, J., Bright, & Brown, W., A. *Commitment and Performance of Nonprofit Board Members*, (Nonprofit Management & Leadership, 15(2), 2004), 221-238.

<sup>18</sup> Erhard, W., Jensen, M. C., & Zaffron, S. *Integrity: A Positive Model that Incorporates the Normative Phenomena of Morality, Ethics, and Legality—Abridged* (English Language Version). Harvard Business School NOM Unit Working Paper (10-061), 2016).

<sup>19</sup> Conger & Lawler, 2001

<sup>20</sup> Khanna, P., Jones, C. D., & Boivie, S. *Director Human Capital, Information Processing Demands, and Board Effectiveness*, (Journal of Management, 40(2), 2014), 557-585.

## **In general, the nomination process includes three phases: identifying the needs of the board, recruiting board candidates, and selecting board members who meet the needs of the board.**

The nomination process begins with the appointment of the nominating committee, typically composed of current and/or former board members. The committee determines board needs, recruits applicants, and selects candidates from the pool of applicants. A brief summary of the phases of the process follows, as well as a detailed outline of the steps (Figure 2).

### **Phase I: Need**

The nominating committee and board identify the skills, competencies, and elements of diversity that the board needs to effectively lead the association. Using the needs they identify as a foundation, the nominating committee works with staff to develop the candidate interest form. They also confirm the number of available seats and whether current members may be re-elected to any seats.

### **Phase II: Recruitment**

The nominating committee communicates the targeted needs for new board candidates to the board, membership, and others through public announcement and private referral. Nominations or candidate statements and applications are collected and compiled by association staff.

### **Phase III: Selection**

Applications are screened against the criteria. Staff may quantitatively assess and rank or categorize the applicants and provide subjective input to the nominating committee. The nominating committee prepares a scoring matrix for ranking candidates. Staff and the nominating committee determine if there are gaps between the list of candidates and the targeted needs of the board. The nominating committee then scores and ranks candidates. Interviews are conducted and a prioritized candidate list is compiled for each open position.

### **Candidate Slate or Election**

The specific steps between the nomination and appointment of board members depends on who has the authority to elect board members (Figure 3). Either the board, the membership body, or the nominating committee may have the authority to install candidates. If the membership body holds the authority, the organization may hold contested or uncontested elections. At the conclusion of whichever process is used, candidates are officially confirmed and installed on the board, and the results are communicated to the association membership.

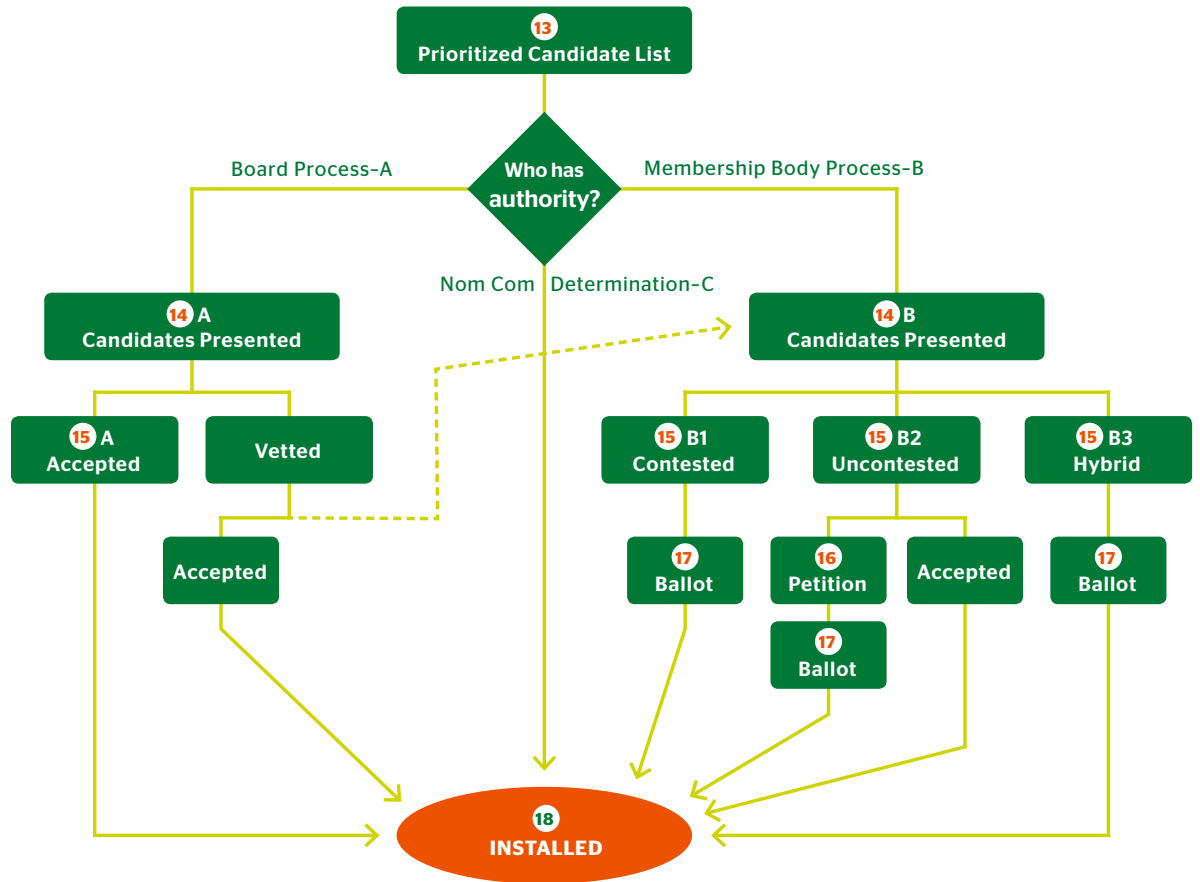
**figure 2**  
**NOMINATION PROCESS STEPS**

Source: Board Member Competencies and Selection Study

NOMINATION PROCESS STEPS	FACILITATORS	DESCRIPTION OF STEPS
<b>1</b> Appoint nominating committee (or leadership development committee)	Board as outlined in the bylaws	Committee appointed by board or elected and is responsible for nominating new board members
<b>2</b> Discuss board's needs—competencies and representation	Nominating committee and the board	The process by which a board determines the necessary skills and diversity needed on the board
<b>3</b> Establish candidate interest form	Nominating committee with staff	Creation of the competencies, experience, and representation outlining what the board is looking for in board applicants
<b>4</b> Confirm available seats and if potential appointment of current member	Staff and board	Determine the number of new board members needed and if current members are qualified for appointment
<b>5</b> Communicate targeted needs to board, membership, and press	Nominating committee	Publish a call for nominations
<b>6</b> Collect nominations and candidate statements (applications)	Staff	Compile nominations from interested applicants
<b>7</b> Administrative compiling/screening applications against criteria	Staff	Administration screens all the incoming applications against the criteria (can use this to quantitatively look at applicants)
<b>8</b> Obtain leadership input	Nominating committee	Gather staff input on any necessary information they may have about the candidates
<b>9</b> Prepare matrix for scoring system	Staff and nominating committee	Helps prepare the nominating committee to evaluate candidate competencies based criteria
<b>10</b> Determine gaps between culled list and board needs	Staff and nominating committee	Determine any skills that are missing from the applicants that are currently needed on the board
<b>11</b> Score and rank candidates	Nominating committee	Nominating committee meets to discuss, evaluate, and prioritize the candidates
<b>12</b> Conduct interviews of culled list	Nominating committee	Nominating committee interviews applicants that they feel may be a potential fit for the board
<b>13</b> Prioritize candidate list	Nominating committee	Nominating committee prioritizes candidates
<b>See flowchart model for 14-17</b>		
<b>18</b> Confirm and install officers and directors/communicate results	Board and membership	The culmination of the process where the appointees are officially on the board

**figure 3**  
**NOMINATION PROCESS ELECTION STEPS**

Source: Board Member Competencies and Selection Study



## An important component of this research was a survey of association executives, which was conducted to ascertain current nomination processes among associations.

### General Procedures

Respondents<sup>21</sup> were asked about their nomination and election processes, including how candidates are nominated, whether they have nominating committees, and how board elections are conducted. In 77 percent of organizations, respondents said they had a committee for board member recruitment and selection. Two- or three-year terms for board members were most common, but about one third of organizations did not have term lengths. Executives were voting members in only eight percent of respondent associations.

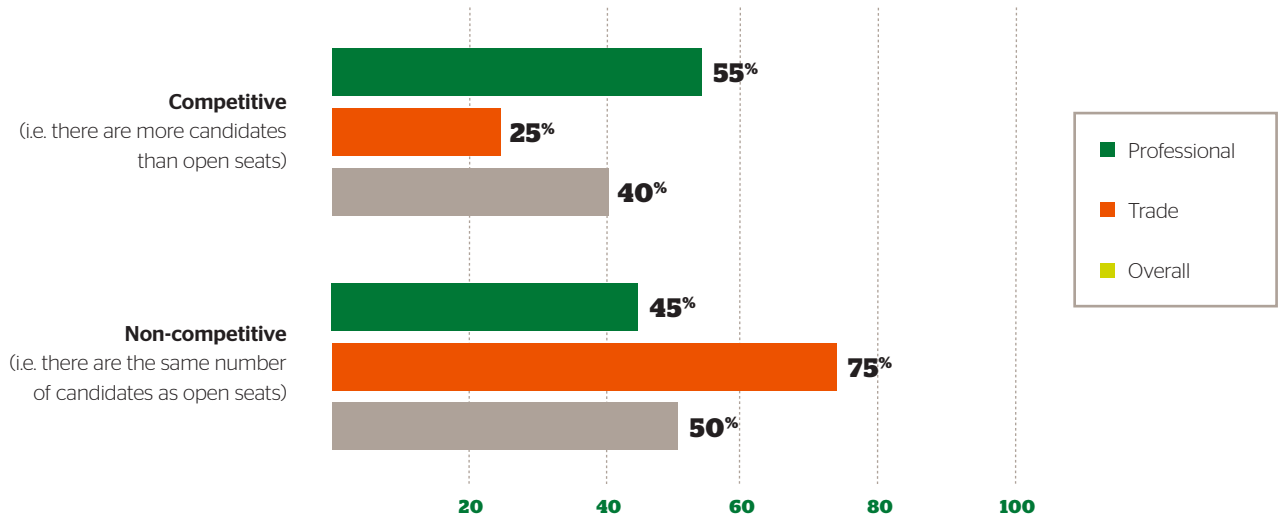
Slightly more than half (52 percent) of respondents said they held non-competitive elections. Professional associations were more likely to have competitive elections (55 percent) while trade associations were much more likely to hold non-competitive elections (75 percent) (Figure 4).

<sup>21</sup> Respondents were primarily association CEOs. The full profile of respondent demographics is located in the Appendix.

**figure 4**  
BOARD MEMBER ELECTIONS

Source: Board Member Competencies and Selection Study

Which of the following describes board member elections:



## Perception of the Nomination and Selection Process

More than one third of respondents said that their processes to identify (37 percent), review (36 percent), and select (40 percent) candidates worked effectively. Sixty-seven percent of respondents believed that improvements could be made to their processes, and 46 percent found it difficult or very difficult to find qualified candidates. Professional associations were more likely to perceive a need for improvement and have difficulty finding candidates than trade associations.

## Steps in the Nomination Process

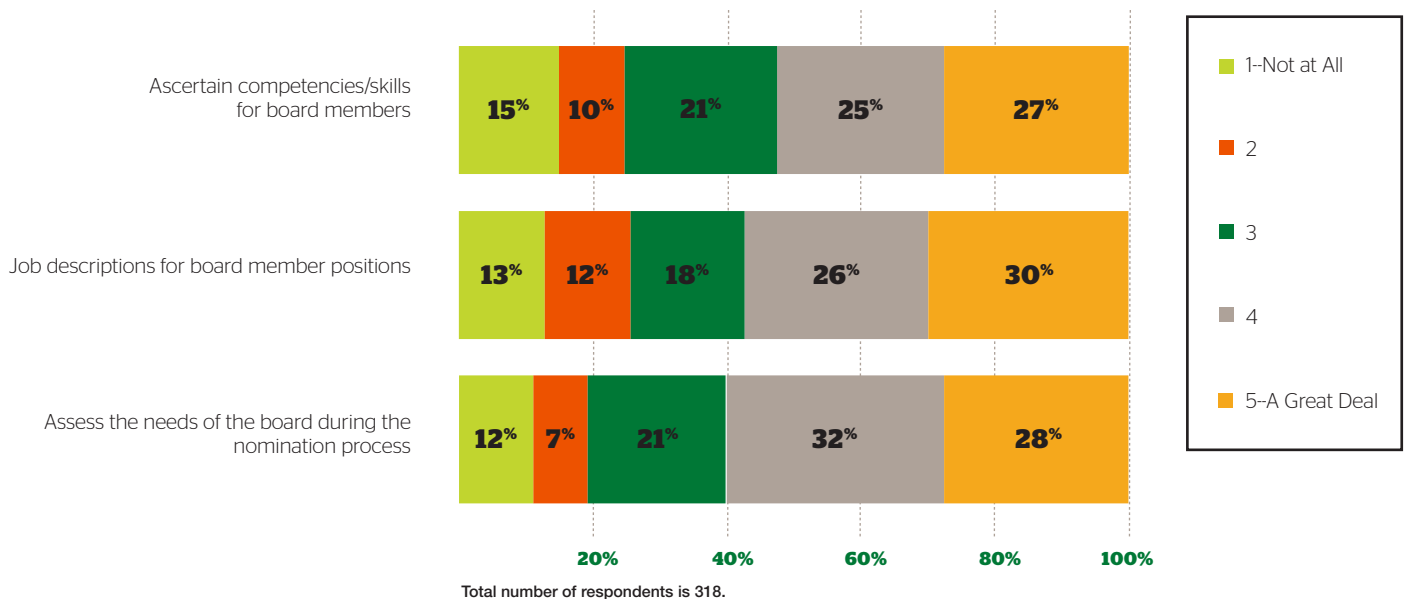
This section looks at how frequently associations employ eight common recruitment and selection tactics. The tactics are organized under three categories—specification of board composition needs, recruitment of prospective board members, and selection of board members.

In specifying board composition needs, roughly half of respondents answered that to some or a great extent their organizations ascertain competencies and skills for board members (52 percent), provide job descriptions for board member positions (56 percent), and assess the needs of the board during the nomination process (60 percent) (Figure 5). Results indicate that professional associations are more likely to have job descriptions for board members and trade associations are more inclined to evaluate the needs of the board in the nominating process.

**figure 5**

### SPECIFICATION OF BOARD COMPOSITION NEEDS

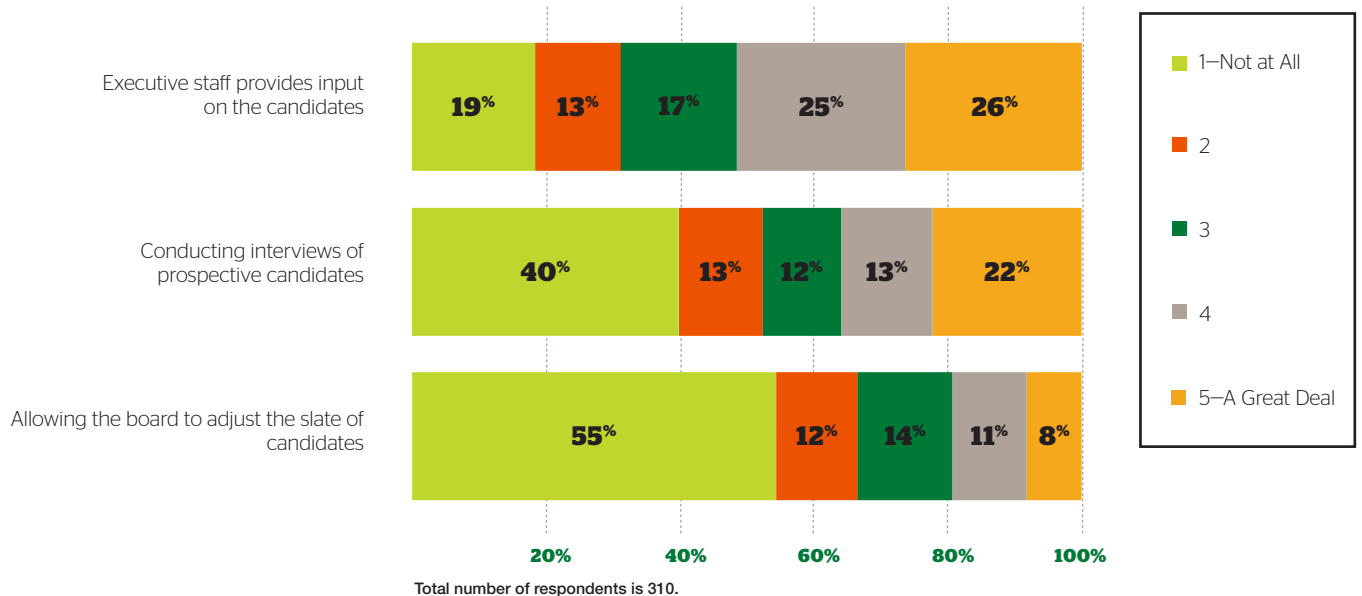
Source: Board Member Competencies and Selection Study



Respondents were asked how much they used three selection practices (Figure 6). About half (51 percent) of the respondents sought executive staff input on the candidates to some or great extent. Trade association executives were more likely to provide input in the process than professional association executives. About one third of the respondents conducted interviews of prospective candidates, and fewer than 20 percent allowed the board to adjust the slate of candidates to some or great extent.

**figure 6**  
SELECTION OF BOARD MEMBERS

Source: Board Member Competencies and Selection Study

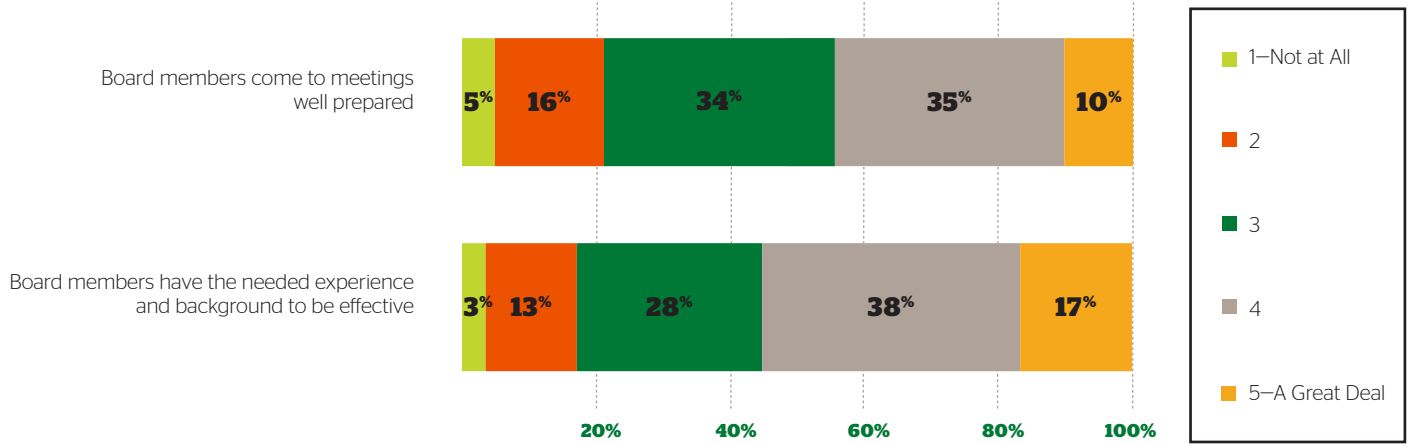


## Performance Measures

The survey measured performance in three ways: board member performance, overall board performance, and executive satisfaction with board performance. Respondents indicated a moderate level of satisfaction with board performance, with an average of 3.7 on a five-point scale. Trade associations were more likely to think that board members and the board of directors handle their jobs effectively (3.5) than professional associations (3.2). Regarding performance of board members, slightly more than half of association executives (55 percent) said that their board members have the necessary experience and background to manage tasks effectively (Figure 7). Less than half of the respondents (45 percent) thought their board members came to meetings prepared.

**figure 7**  
**BOARD MEMBER PERFORMANCE**

Source: Board Member Competencies and Selection Study



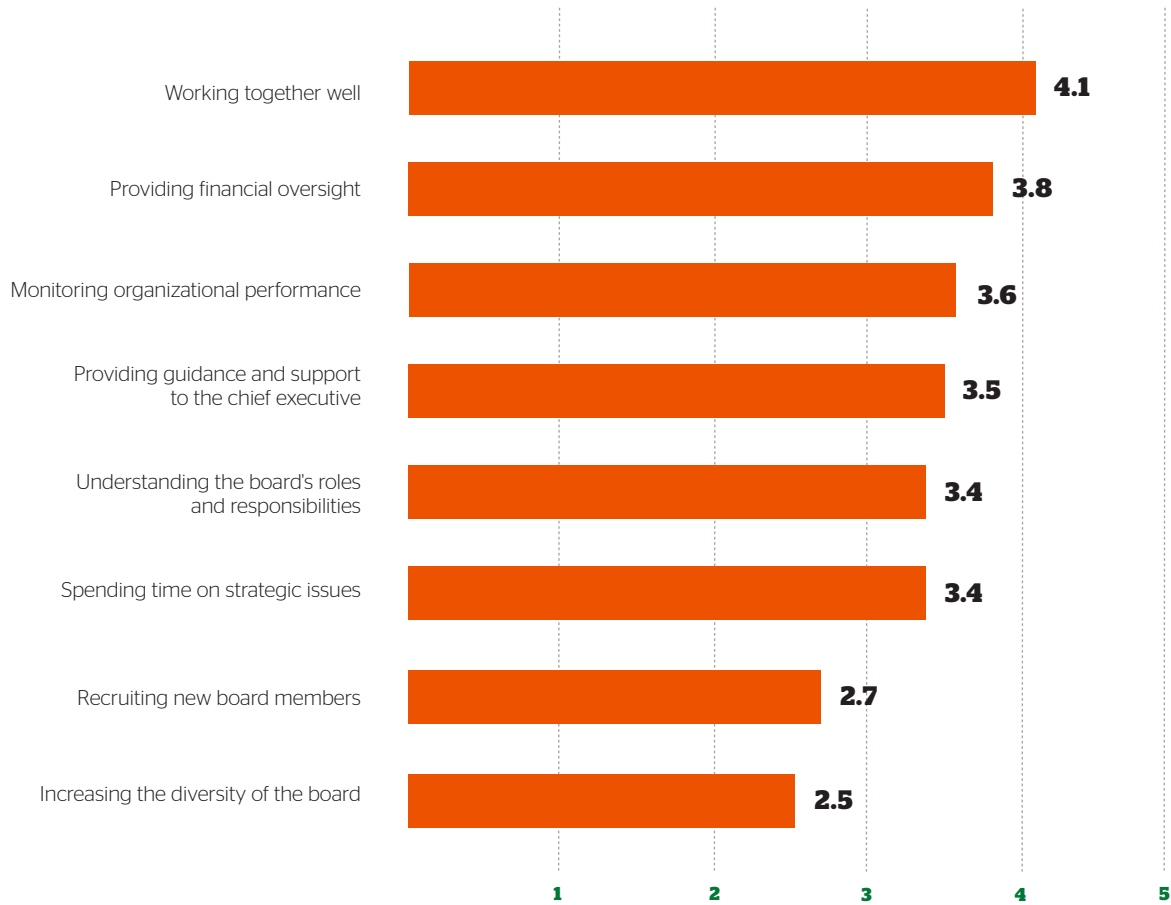
Total number of respondents is 312.

Board performance was measured by eight items (Figure 8). Respondents rated the effectiveness of their board of directors in each area. Overall, respondents indicated an average score of 3.4 on a five-point scale, where five is the highest level of agreement with the statement. Respondents said that the board of directors functioned most effectively in working with other board members (average of 4.1) and financial oversight (average of 3.8). However, only 24 percent of respondents said that their boards were effective at recruiting new board members, and just 20 percent said that the board performed well at increasing the diversity of the board.

**figure 8**

**BOARD PERFORMANCE SCORE**

Source: Board Member Competencies and Selection Study



Total number of respondents is 314.

**Practices that Account for Performance**

Among eight steps in the nomination and selection process, ascertaining competencies and skills for board members was determined to be the most influential and effective step to take to improve board member performance. This step also plays an important role in promoting performance of the board of directors as a unit. Another practice that typically produces improved board performance is when executives provide input on candidates.

## Analysis of the case study interviews identified several cross-cutting themes central to board selection decision-making and nomination processes.

While specific methods varied among participating associations, these core themes emerged consistently. These themes reinforce the idea that it is important for associations to have established methods of determining the overall needs of the board, and for identifying and installing the individuals who best contribute to those identified needs. The most significant cross-cutting themes that emerged were as follows.

### Structure of Nominating Committee

The nominating committee is typically responsible for the nominations process, from determining the skills and qualities needed on the board, to recruitment and selection. In some associations, authority to appoint board members rested with the nominating committee; in others the board or the membership (in whole or in part) also participated.

In some cases, the charge of the nominating committee went beyond the board member selection process to include duties related to cultivating future leaders. Typically, these types of committees would be called a leadership committee or leadership development committee.

Some associations lacked transparency in the nominations process, an issue that can be alleviated by intentionally making membership aware of the nominating process and its various intricacies, and by practicing consistency in the application process.

### Competencies

Associations did not have a unified language for competencies. Instead, they used a variety of terms to describe the competencies that they valued in their board members, such as skills, attributes, experience, qualifications, criteria, and characteristics. Associations also varied in the methods and timelines they employed to determine and update the competencies or skills needed on the board. Associations used different tools and methods to track the specific competencies and skills represented on the board.<sup>22</sup>

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<sup>22</sup> An appendix with samples of some of these tools will be included with the release of the full findings.

## **Board Diversity**

Participants offered a range of definitions of diversity. Some placed an emphasis on demographic characteristics such as race, ethnicity, and gender. Others considered diversity in terms of representation of key member or industry demographics such as organizational size, geographic representation, or professional affiliation. Nominating committees were challenged to create a diverse slate of candidates. Interviewees stated different reasons why this was the case, including a lack of diversity in applicants, constraints from contested elections, and an emphasis on skills as a priority. Associations with uncontested elections were better able to create a diverse board.

## **Board Composition**

Board composition is considered by nominating committees through the lens of how an individual candidate will contribute and bring needed skills and capabilities to the board, as well as how a prospective candidate may affect compatibility and overall group cohesion. Executives and committees consider board composition issues in a variety of ways. During the early stages of the recruitment process, gaps or limitations of the current board are considered in relation to recruitment priorities. Several respondents discussed processes to map knowledge, skills, capabilities, and other characteristics of the current board to set priorities for the nominating committee, resulting in a set of desirable characteristics for prospective board members to guide recruitment and outreach to prospective candidates.

## **Candidate Evaluation and Selection**

Typically, the nominating committee has a significant amount of power in the evaluation and selection of candidates. Committees used various techniques for candidate evaluation and selection, ranging from formal assessment mechanisms to informal tallying. Organizations with advanced nominations processes generally incorporated methodology and tools to advance their capacity to evaluate candidates consistently.<sup>23</sup> Exemplary practices for evaluation and selection include having the organization create a dataset of highly engaged members based on records of volunteer engagement and attendance, and inviting applicants who scored highly on those and other measures to apply.

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<sup>23</sup> Samples of such tools will be available with the full report.

## **CEO and Staff Roles in the Nomination Process**

CEOs and staff need to balance providing the necessary support to the nominating committee without unduly influencing the selection of particular candidates. CEO and staff involvement should focus on supporting the process, serving facilitating roles to prospective candidates, and providing insight on particular candidates.

CEOs and staff can take on support roles to the nominating committee that make for a more efficient process. A designated staff liaison can aid the nominating committee with logistical support, serving as the point of contact for nominees and making sure that all potential applicants get the same information about expectations, requirements, and procedures.

CEOs often assist the nominating committee in setting goals and priorities by helping them determine the competencies and diversity expectations needed on the board. The CEO and staff can also provide valuable input regarding a candidate's background, participation, and engagement within the association when asked by the nominating committee, making sure to provide information rather than weighing in on certain candidates. Executives were likely to give input on how individual nominees might influence board composition.

## **Board Elections**

Sixty-three percent of the associations interviewed relied on their nominating committee to select board candidates. Most used either a slate or election process to approve nominees. The majority of participants had some form of election process to finalize board selection. However, non-competitive elections were perceived as generally preferable, as they give the best opportunity to address competency, composition, and diversity objectives, while avoiding the potential popularity contest that elections can introduce.

It is a challenge to give members some authority in the board selection process while still ensuring that the nominating committee has the responsibility to make specific selections. Some associations employ a slate process, allowing members to propose changes to the slate set forth by the nominating committee, and some associations hold competitive elections with votes by members.

The cross-cutting themes show that while the tools and processes may vary, it is important for associations to have deliberate procedures for establishing needed board competencies, identifying viable candidates, and recruiting and selecting board members. Selecting board members using these procedures makes it possible to find the people who will best contribute to the board and ultimately the organization and its members.

## The selection of talented, effective individuals who are well suited to the roles and responsibilities of volunteer leadership is a challenge for many associations.

Changing the board selection process in an organization can be difficult, particularly if current leaders do not necessarily see the benefits of change. However, a competency-based selection process for board members that results in a group with diverse experiences, and complementary skills and attributes builds a more effective board, and should be the pursuit of association leaders.

To successfully transition to a competency-based board selection process, executives and volunteers should keep the goal of selecting the most qualified individuals to lead the association into the future as their main priority. The leading practices, competencies, and nomination procedures addressed in this report can be adapted to serve each organization's unique context. Getting buy-in from the necessary stakeholders to move the change process forward will likely take time but will pay off in a more effective organization in the long run.

Association leaders can take the information in this report and apply it in context to their organization, adapting what makes the most sense and starting with what is most feasible. Leaders can empower and support the nominations committee to fully embrace responsibilities for selecting board members. They can create and adhere to an open and transparent process to identify and select board members, and minimize politics in the election practices. Association leaders should consider using noncompetitive slate elections. The nominating committee should define, use, and communicate desired competencies as criteria to select board members, and employ rigorous selection practices to screen applicants, keeping the overall composition and diversity of the board under consideration. Association executives play an important role in board selection. CEOs can move the process forward by being active and deferential to the nominating committee, providing leadership when appropriate to guide selection of highly qualified candidates. As with any research, not all recommendations made in this report will apply to every organization. Additionally, associations will have different levels of tolerance and capacity for change, which will impact how leaders approach attempts at transition.

### Building a Competency-Based Board

- Empower the nominating committee with the authority to recruit and select the slate of candidates.
- Define the most critical competencies for the board and identify the gaps that need to be filled.
- Create specific job descriptions for board positions based on desired competencies.

- Consider how organizational factors such as culture and structure may impact efforts to change board selection processes and adjust expectations accordingly.
- Be transparent with members about the board selection process.
- Consider broadening the role of the nominating committee to include leadership development activities.

**The full set of findings from the Board Member Competencies and Selection study, to be released in the summer 2019, will include a full discussion of the findings and processes presented here, as well as five full case summaries that detail the nomination and selection processes of organizations which exhibit comprehensive practices.**

The full study findings also provide illustrative insights into practices from a broad range of associations, some effective and some less effective. These anomalies are distilled to identify practices that may push the boundaries of current practice. In addition, the findings from the full study will also provide a compilation of example documents from participating organizations. These materials can serve as resources and tools to guide executives and volunteers as they seek to strengthen the nomination practices of their organization.

## Methodology and Respondent Background

A survey was conducted in 2018 to explore current nomination practices among a sample of 2,964 executives drawn from the ASAE member database, and 342 valid responses were received, an 11.5 percent response rate. The majority of survey respondents (92 percent) were the chief executive officer (CEO) or executive director of their organization.

### SCOPE

One third (34 percent) of associations were national in scope, 30 percent were international, and the remaining operated at the state (27 percent) or local level (14 percent).

**table 1**

#### GEOGRAPHIC SERVICE AREA OF RESPONDENT ORGANIZATIONS

Source: Board Member Competencies and Selection Study

SCOPE	NUMBER	PERCENTAGE OF TOTAL
National	117	34.21%
International	101	29.53%
State	93	27.19%
Local	48	14.04%

Respondents were allowed to select more than one answer, thus the percentage of total does not add up to 100.

### TYPE

More than half were professional associations (52.5 percent) while 33.5 percent of them were trade associations.

Thirty-nine percent of the respondent associations have a budget size of \$1,000,000-\$4,999,999. Another 22 percent have \$5,000,000 or more as a gross revenue. The remaining 34 percent have less than \$1,000,000 in annual revenue.

**table 2****DISTRIBUTION BY BUDGET SIZE**

Source: Board Member Competencies and Selection Study

BUDGET	NUMBER	PERCENTAGE OF TOTAL
Less than \$100,000	11	3.22%
\$100,000-\$499,999	53	15.50%
\$500,000-\$999,999	52	15.20%
\$1,000,000-\$4,999,999	134	39.18%
\$5,000,000-\$14,999,999	54	15.79%
\$15,000,000 or more	23	6.73%

Of the 342 respondents, 15 (4.39 percent) are missing values.

There is a range of sizes when considering dues-paying members. Twenty-eight percent of the respondents have 1,001-5,000 members. The next largest group is 101-500 (22 percent), followed by 5,001-25,000 (16 percent) and 501-1,000 (13 percent).

**table 3****NUMBER OF DUES-PAYING MEMBERS**

Source: Board Member Competencies and Selection Study

DUES-PAYING MEMBERS	NUMBER	PERCENTAGE OF TOTAL
Less than 100	28	8.19%
101-500	75	21.93%
501-1,000	43	12.57%
1,001-5,000	96	28.07%
5,001-25,000	56	16.37%
25,001-50,000	12	3.51%
\$5,000,000-\$14,999,999	5	1.46%
75,001 or more	10	2.92%

Of the 342 respondents, 2 (0.58 percent) answered 'Don't know', and 15 (4.39 percent) are missing values.

In terms of board member ethnicity, the majority are White (84.3 percent), followed by African-American/Black (7.5 percent), Hispanic/Latino (5.1 percent), Asian/Pacific Islander (4.2 percent), and American Indian or Alaska Native (1.5 percent). On average, 38 percent of board members are women.