



The Life Cycles of a Nonprofit Board

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The three stages discussed here are reprinted from the National Center for Nonprofit Boards, where it was adapted from an article by Karl Mathiasen, III titled "Board Passages: Three Key Stages in a Nonprofit Board's Life Cycle."

Stage One: The Organizing Board

Stage One:
The Organizing Board 1

Organizing boards tend to be one of two types, boards that follow a leader/founder and boards that lead or control an organization. Following boards are usually small and relatively homogeneous since the leader has selected a group that is only as large as it needs to be and can be counted on to support his/her agenda. The board is often passive and therefore not usually active in fundraising.

Stage Two:
The Governing Board 1

Leading boards tend to be small with a membership that shares a commitment to the mission or purpose of the organization and a willingness to do what needs to be done or get the organization up and running. Leading boards are often slow to hire staff, and reluctant to give up their immediate involvement in the organization. The transition stages for the organizing board are often marked by:

Where Does Your
Organization Fall? 2

- financial problems
- board/staff struggles
- new board members with differing expectations and motivations
- less passivity to the founder/leader's agenda
- less personal identification with the organization and its mission

Steering Clear
of Founder's Syndrome 2

Stage Two: The Governing Board

More Resources 2

In this stage, the board assumes greater responsibility for the organization's well-being and longevity through planning, oversight and general accountability for the performance of the organization. Board/staff relations are better balanced with principal responsibilities falling to the executive director and the board chair. Committees are used to organize the board's work. Many boards function successfully at this stage over an organization's lifetime.

The transition stages for the governing board are often marked by:

- a greater dependence on the board for fund raising
- a desire to use the board to build greater representation in the community and more influence
- an increase in board size to accommodate these goals
- committees become more independent of the full board

Stage Three: The Institutional Board

Institutional boards tend to be very large, and while diverse, include more people with the capacity to give or to provide access to funders or donors. Board membership is often more prestigious and involves movers and shakers within the community. Because of the size of the board, the governance responsibilities are generally delegated to an executive committee with greater authority for policy making. Staff sizes are generally large, well-trained and capable of conducting most organizational activities with little oversight from the board or executive committee.

Where Does Your Organization Fall?

For a majority of nonprofit organizations, The Organizing Board is a good description of where their organization currently stands. While there is no standard for the number of years an organization will stay with this method, it is generally acknowledged that it takes several years for the process of moving from an Organizing Board to a Governing Board to take place.

Once organized as a Governing Board, many organizations never have the need to move to a more institutional board and spend the remainder of the life of the nonprofit with a Governing Board.

Steering Clear of Founder's Syndrome

The biggest hurdle for many organizations moving from an organizing board to a governing board is Founder's Syndrome. The syndrome occurs when a small organization starts to experience the same problems over and over again and is bouncing from one crisis to another, board members don't step in to address the issues, the founder becomes defensive and aggressive and the board becomes fearful of the founder. At this point many organizations will fold or the founder will be forced out. This is extremely stressful on the organization and can have fatal consequences for the future of the mission. If you find your organization in this situation, it is best to get outside mediation to help work through this process of growth.

More Resources

If you have questions about the life cycle of a board of directors or for more resources, contact Kerri Burrows, Alaska Food Coalition Manager, at afc@foodbankofalaska.org or 907.222.3103.

**Next Month:
Preventing
Burnout**

