



Leadership and Governance

Good governance is about the best processes for making and implementing decisions – but cannot guarantee “correct” decisions: <http://www.goodgovernance.org.au/about-good-governance/what-is-good-governance/>.

According to this and many formulations, good governance is accountable, transparent, responsive, equitable and inclusive, effective and efficient, participatory, and follows the rule of law. But just saying so doesn’t make it happen. Different organizations will require different rules to achieve this.

For some ways to ask the right questions about what rules and structures are best for an organization see <http://www.companydirectors.com.au/Director-Resource-Centre/Not-for-profit/Good-Governance-Principles-and-Guidance-for-NFP-Organisations> and http://www.independentsector.org/33_principles.

Governance structures and roles engage volunteers. Well defined roles create entry points to the organization to engage volunteers. Roles need to be tailored to the different talents available. They need to be laddered so that volunteers can be engaged at their level of comfort – and so they can grow. Existing leadership and governance need to anticipate the needs of the organization and the talents of the upcoming leadership to make sure there is a match.

Governance structures and roles must fit the resources of the community that the organization serves. This is particularly true of voluntary associations and volunteer organizations. The organization can only rely upon the time, talent, and treasure that its volunteers bring to the table. For example, the rules can’t require a larger quorum than usually come to a meeting. As another example, a top heavy volunteer organization with all chiefs and few workers is likely to collapse. In contrast, a well-funded organization with professional paid managers and workers, may thrive with a large non-hands-on volunteer advisory board (whose primary responsibility may be giving or raising money). Sometimes an organization will be founded by a charismatic or superbly talented individual or group, but the intent of governance rules and structures is to enable the organization to continue to exist past the tenure of extraordinary founders – when roles must be filled by others in the community.

Rules of governance cultivate leadership. A documented set of rules (as you would have in a governing document such as by-laws) provide guidance for both expert and developing leaders and for different leadership roles. The rules specify many of the things to be done and decided. They often specify when things must be accomplished and decisions made. They detail who is responsible for getting what done, and who must be consulted. When people are given leadership roles, the rules of governance help people grow into those roles. The rules, both formal and informal act like a handbook for leaders. However, it is still necessary for one generation of leaders to mentor the next. When you expect volunteers to do real work, and assume real responsibility, you must give them real power.

Rules of governance need to be tailored to the organization being governed. Certainly, many rules of governance may be dictated by law – which varies from country to country, and even province to province. Still it is important to consider the needs and purpose of the organization -- both when setting up an organization, or reviewing its efficacy. This is true of all kinds of organizations, governments, for-profit enterprise, non-profit ones, and voluntary associations. This is true with respect to both formal written rules as well as informal and customary ones. The more a university expects its alumni organizations to be self-funded, and self-managed, the more control it has to give up.

Governance can help articulate community values, purpose, or vision, but cannot substitute for them. If an organization’s (or a community’s) leaders do not believe in these values, they will work around them. They may abide by the letter of the rules, without following its spirit. Besides, one cannot create a rule for every situation. In those cases, values must be internalized in the leaders. Building a community (or organization) and its values requires building a culture that embodies these values. It requires the patient and continued leadership of many individuals over time to instill a sense of community and community values in the group’s members. And to create traditions that bind generations. These leaders must live these values, encouraging others by example.

Governance rules support leadership, volunteer recruitment, and good stewardship. The written or generally accepted rules and policies of the organization are a crucial support structure for the organization. However it is the implementation and the actions of the leadership that make an organization strong and successful.