

GOOD GOVERNANCE FOR NONPROFITS

Developing Principles and Policies for an Effective Board

Kelompok 2 Reg M



MEMBERS:



- ☐ Destira Dewi Alti Suci 2156041003
- ☐ Tadzkia Alifvani 2156041028
- ☐ Elsa Apriyana 2156041031
- ☐ Wulan Suci Wahyu Lestari 2156041019
- ☐ Adit Hendri 2156041010
- ☐ Miftahul Ulum 2156041010
- ☐ M. Gery Geraldo 2156041037
- ☐ Romdan Fahrurrozi 2166041002



Got Good Governance?

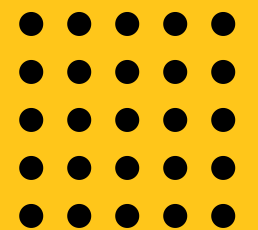
All nonprofit boards have one thing in common. They do not work.

-Peter Drucker

Non-profit organizations have limited human resources and finances, therefore, non-profit organizations must handle work in a systematic way

Four organizations that have made improvements to their governance model:

- **Miriam's Kitchen**
- **Translational Genomics Research Institute (TGen)**
- **Association of Graduates (AOG)**
- **World Vision International**



Got Good Governance?



Who Needs a Roadmap to Good Governance?

Whatever the organization, it deserves good governance and a road map that can get it there. All governing boards have equal responsibilities to the organization. A work council is a management board whose members carry out some or all of its activities.

The Three Hats of Nonprofit Board Members

- Governance Hat
- Volunteer Hat
- Implementer Hat

Good-to-Great Governance?

In the Good-to-Great study of advanced companies, the implication is that board and organizational leadership are often indistinguishable, and rightly so, as it is common practice in the private sector for the CEO of a company. Therefore, although the Good-to-Great model is helpful in providing us with the principles of good leadership and organizational behavior, even in the nonprofit world, it provides little advice regarding the governance of nonprofit organizations.



GOOD GOVERNANCE?

Nonprofit Governance Indicator Guide

1. Board Effectiveness (5)
2. Board Operations (8)
3. Strategic Planning (4)
4. Program Effectiveness (4)
5. Stability of Funding Base (5)
6. Financial Oversight (7)
7. Constituent Representation (2)
8. External Relations (4)
9. Evaluation of the Organization's Operations and Impact

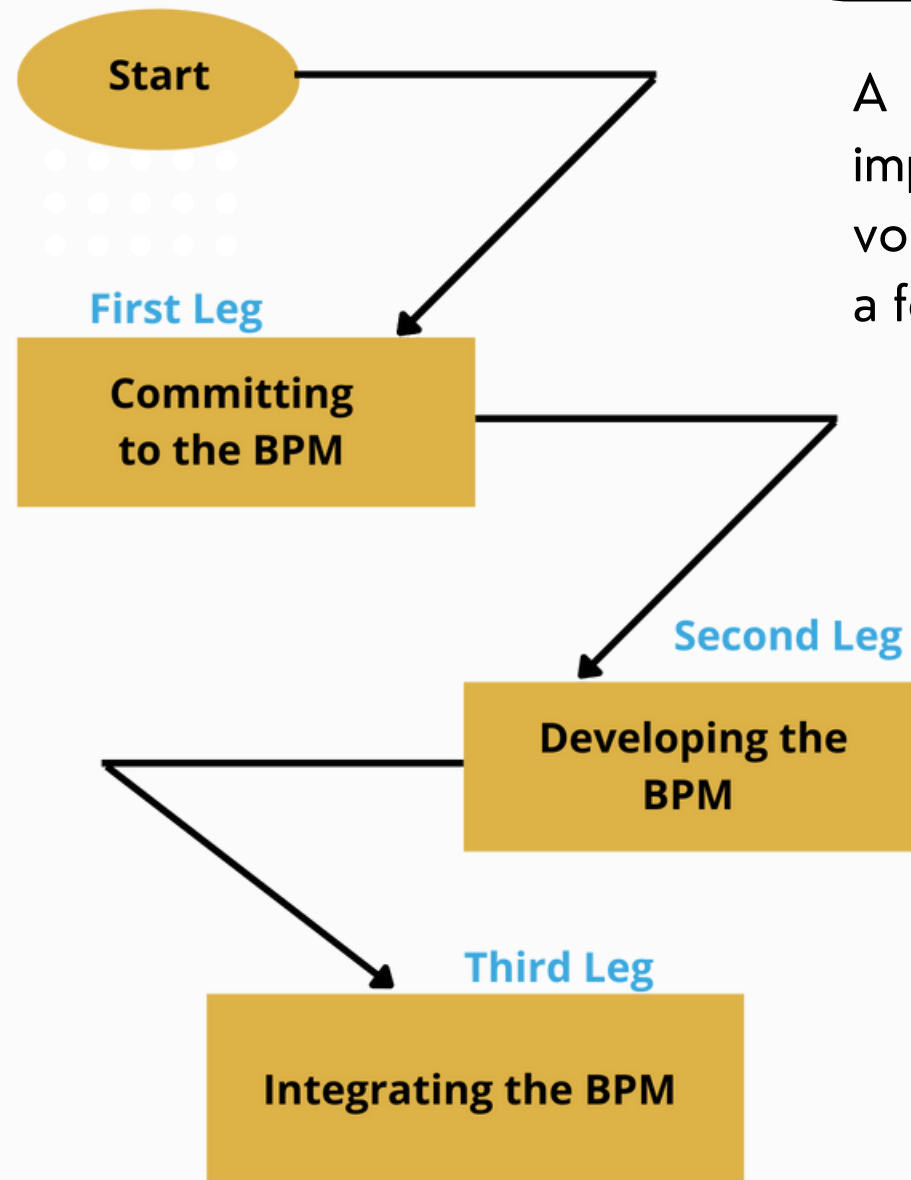
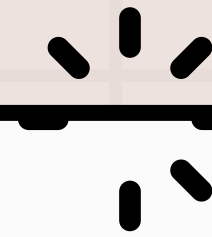


Twelve Principles of Governance that Power Exceptional Boards

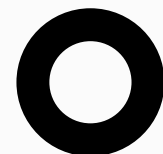
1. Constructive Partnership
2. Mission Driven
3. Strategic Thinking
4. Culture of Inquiry
5. Independent Mindedness
6. Ethos of transparency
7. Compliance with Integrity.
8. Sustaining Resources
9. Results Oriented
10. Intentional Board Practices
11. Continuous Learning
12. Revitalization



The Board Policies Manual: Your Essential Guide

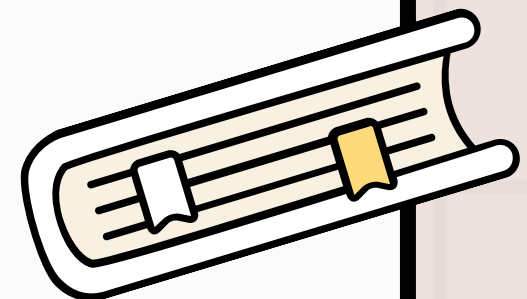


A BPM is a document which is an organized booklet with a specific topic outline containing all the important extant (ongoing) policies that need to be addressed by any board. BPM represents the voice of the board to the CEO, staff, and other organizational stakeholders. BPM sizes can range from a few pages to twenty pages, with most BPMs ranging from fifteen to seventeen



1. Federal and State Laws
2. Parent Organization Policies
3. Articles of Incorporation
4. By Laws
5. Board Policies Manual (BPM)
6. CEO Level Policies
7. Other Organizational Policies

HIERARCHY OF ORGANIZATIONAL POLICIES





Content and Organization of the BPM



Rules in member organizations can usually only be changed by a vote of the members. BPM is not a recorder of all board decisions.

1. BPM Part 1: Introduction and Administration
2. BPM Part 2: Organization Essentials
3. BPM Part 3: Board Structure and Process

4. BPM Part 4: Board-CEO/Staff Relationship
5. BPM Part 5: Executive Parameters

TACTICAL BENEFITS OF THE BPM

Despite all the support at the macro level for BPM development, there is no lack of support at what we might call the tactical level.

The Board Speaks with One Voice

The board has the right to add details to the bylaws both in terms of structure and process, namely how the board will be organized and how the board will carry out its responsibilities.

Policies Are Explicit

All boards have policies, which are expressed in the decisions they make and the actions they take. Some policies are explicitly written. Others are only implicit and unwritten.

Efficiency of Having Board Policies in One Place

The board is required to prepare minutes of its meetings, and often those minutes reflect policy decisions. Therefore, board votes may be distributed in the minutes of board meetings and executive committee meetings over several years.

Clear Guidance to the CEO

.BPM explained to the CEO:
That the board has a mission statement, as well as key values and organizational strategy, What the board expects of itself, How the board interacts with the CEO and staff, What parameters the CEO must pay attention to in carrying out his duties



Modeling Efficiency and Competence to CEO and Staff

Working with BPM shows a commitment to clarity and transparency that sends the right signals to people inside and outside the organization.

The BPM and the Roadmap

While the benefits of BPM are well known and compelling, we found that few nonprofit organizations have BPM, and only a few make BPM an integral part of their governance processes. The fundamental reason why BPM is not being developed is because boards of directors and CEOs don't know how to do it.

Planning and Packing: Committing to the BPM

Plans are only good intentions unless they immediately degenerate into hard work.

-Peter Drucker

○ Translating Plans Into Work

○ Milestones on the Way to Commitment
Get the Board on Board



ANY QUESTION?

