

Understanding Board Governance Models

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In the world of nonprofit organizations and associations, we rely on the leadership, knowledge, and expertise of our volunteers. Those who become elected or appointed board members are the legal guardians of a corporate entity. In a nonprofit organization, it is the board that organizes resources and acts to fulfill the purpose and mission of the organization.

When you are selecting board members for a nonprofit, it is important to understand the type of board model the organization or association subscribes. This will assist in ensuring the candidates fit the needs and can execute their position successfully. Board selection should not be a popularity contest. This means being informed about what skills are needed at the time to balance a board with a variety of talent. The most popular board models are defined below:

- Advisory Board Model – Members of an advisory board are trusted advisors who offer professional skills and talents at no cost to the organization. Advisory board members have established expertise or credentials in the specific area or membership of the organization/association and its membership.
- Patron Model – Patron Model boards are comprised of members who have personal wealth or influence in the field. Under this model, board members contribute their own personal funds to the organization and utilize their network to gain outside contributions for the organization. This is a popular model for educational foundations.
- Cooperative Model – This model is the most democratic governance model. The board members make consensual decisions as a group of peers. There is no hierarchy, and no one individual has power over another.
- Management Team Model – This type of board is completely volunteer driven. In place of hiring paid employees, volunteers assume all business roles, including human-resources, fund-raising, finance, planning, and programs via committees. This model is often utilized for new or growing organizations.
- Policy Board Model – This concept gives a high level of trust and confidence over to the CEO/executive director. The board has regular meetings with the CEO/executive director to get updates on the organization's activities. Board members demonstrate a commitment to the organization/association through creating the vision and goals of the entity.

We see a great amount of movement to this last model in the fraternity and sorority industry. The board will determine the desired outcomes for the organization, and the staff creates the tactics and methods to meet the end goals.

Having a better understanding of nonprofit governance models and being able to identify the model your organization works with is a game changer for your success. It is important to know the parameters in which your role plays as a staff member or volunteer. It is helpful to ask questions about governance when seeking a new board or staff position.

Board model knowledge can also provide great insight as a campus-based professional as you are working with chapters, their alumni volunteers, and staff. Take the opportunity to learn more about the governance of the organizations you are interacting with. This will give you a greater understanding of their approach to chapter support and accountability.

As you continue to work with organization staff members, you may see CAE in the signatures of some headquarters or association professionals you correspond with. CAE is a Certified Association Executive. This credentialing is through the American Society of Association Executives (ASAE). To qualify to sit for the CAE exam, one must have five years staff experience or one year as a chief staff executive at a qualifying nonprofit organization (trade association, professional society, individual membership organization, philanthropic organization, tribal organization), or an association management company (AMC) as well as completed 100 hours of education/professional development in areas such as business models, brand management, diversity and inclusion, globalization, governmental relations, and board development.

For a more in-depth look at the nonprofit board models and association management, please visit www.boardeffect.com and www.ASAEcenter.org.

Libby Anderson, CAE currently serves as the chief executive officer (CEO) of Zeta Beta Tau Fraternity. She graduated from the University of Missouri with a Bachelor of Educational Studies in family and consumer science education and Indiana State University with a Master of Science in student affairs administration. Prior to returning to Zeta Beta Tau, she was at Phi Kappa Sigma where she was named the first female executive director of a men's fraternity. Libby has served as assistant executive director of Zeta Beta Tau Fraternity, director of operations for Alpha Epsilon Pi Fraternity, assistant director of campus activities for Greek life at the University of Central Missouri, and director of Greek life at Mount Union College. In her spare time, Libby likes to travel, cook, enjoys the theatre, and cheer for the Mizzou Tigers!