



## **The Accountable Board**

The board sits on top of the hierarchical pyramid of an organization, and in that position bears the responsibility for the health and secure future of the nonprofit. This is a demanding task! The board not only acts as the fiduciary on behalf of the organization's stakeholders, but also must ensure compliance with laws and ethical integrity throughout the organization. To meet these daunting expectations, individual board members must do their share and accept and deliver on their personal commitments. Board members must reconcile demands for accountability both as a collective group and as individuals.

### **What is Accountability?**

Accountability exists between one entity with a responsibility and another entity that has a legitimate right to expect specific results. In a group setting, accountability is a collective responsibility. The group must meet its stakeholders' justified expectations.

### **Board Accountability**

An accountable board successfully links its role and duties, expectations, promises, and delivery. It assumes its responsibility and ultimate liability for the organization.

### **Stakeholders**

As the legal representative of a nonprofit, the board must first be clear about to whom it is accountable. Public charity boards are first and foremost accountable to funders and private contributors. Additionally, every organization must be concerned about the legitimate needs of its staff.

### **Stewardship**

Working closely with the chief executive, an accountable board must ensure that the organization meets the following three expectations:

**Legal compliance** – The board ensures that the organization meets all compliance requirements, obeys the law, and follows its own legal documents. The organization is mission-focused.

**Integrity** – The board ensures the integrity of the organization, that rigorous ethical standards serve as incontestable guidelines for the board and management. An appropriate balance between transparency and confidentiality must exist.

**Efficiency** – The board ensures that the resources entrusted under its care are not wasted and that the organization functions efficiently. Operational efficiency saves money, limits unnecessary expenses, leverages staff skills and contributions, and institutes alignment between all activities and efforts in the organization. As a result, more donor money reaches the intended purpose.

### **Individual Board Member Accountability**

Individual board members accept their personal role in the board's collective responsibility.

To meet their overall expectations, individual board members regularly attend meetings, come prepared, and actively participate in deliberations. To meet ethical expectations, board members should know right from wrong and disclose any potential and actual conflicts of interest. To be accountable, after accepting specific assignments, board members keep their promises. If their peers are relying on their commitment, they need to deliver results.

As part of a group structure, a board member 'owns' the performance of the full board or a committee and ensures that the team remains accountable as a body. A board member does not disregard malfunctions and performance concerns but addresses them openly. Every team member must keep fellow members accountable.

### **Mechanism To Ensure Accountability**

Accountability is an organization-wide concept that becomes an attitude and an integral part of behavior as long as it begins with the top: The board and senior management must set the standards by personal example and help frame a systematic culture. The following mechanisms can help:

**Clear goals** – Without goals and stated expectations, the organization lacks direction and board and staff will function in perpetual misalignment. It is impossible to be accountable without being able to compare objectives with achievements. Accountability assumes a solid link between knowing what to aim for and accomplishing an agreed target.

**Monitoring** – Continuous monitoring and acceptance of feedback are keys to improvement and an essential part of accountable behavior. Performance evaluations and self-assessments are review mechanisms at individual levels. Targeted performance indicators at the organizational level and comments from the constituency will also help the board integrate improvements in its future directives.

**Transparency** – Openly sharing the accomplishments of the organization with the outside world leads to transparency of operations. Keeping donors informed of how their money has been dispensed is responsible reporting. Disclosing processes for decision making eliminates perception of conflicts of interest. Transparency impacts the public's trust and its willingness to continue its support – the strongest incentive there is for organizational accountability.