



## **Board Roles and Responsibilities**

***Before you say yes . . . ASK***

**Rita Wray, MBA, RNC, FAAN**

You investigated your targeted board's mission and goals, identified how your unique personal/professional expertise, assets, skills and resources can contribute to the organization's success and now, you have been nominated to serve! Celebrate, then for optimal performance clarify your role and responsibilities.

### **BOARD ROLES**

Key roles serve to enhance long term stakeholder/stockholder value and to uphold the board's fiduciary role which extends beyond its financial oversight and encompasses three legal duties which must be performed.

The Duty of Care focuses on the board's process of decision making and describes the level of competence expected of a board member in exercising reasonable care as stewards of the organization. Requirements to fulfill the Duty of Care include:

- Making informed decisions
- Conducting due inquiry

#### *Action items for board members*

- Attend meetings prepared – do your homework
- Participate – ask constructive questions/seek additional info
- Think strategically – consider quality, safety trends and performance
- Utilize appropriate skills & experience to challenge assumptions and ensure alternatives were satisfactorily explored before accepting recommendations
- Express a dissenting opinion or negative vote as appropriate

The Duty of Loyalty requires board members to safeguard the organization's business interests and act faithfully in the best interests of the organization. Requirements to fulfill the Duty of Loyalty include:

- Acting in good faith without self-interest when making decisions
- Preserving the confidentiality of corporate affairs
- Avoiding conflicts of interest

#### *Action items for board members*

- Give undivided allegiance when making decisions affecting organization – do not discuss confidential board deliberations/actions outside the boardroom
- Avoid impropriety with disclosure of affiliations
- Never use information obtained for personal gain

The Duty of Obedience requires board members to comply with applicable laws, rules, and regulations as they act faithfully to carry out organizations' mission. Requirements to fulfill the Duty of Obedience include:

- Honoring the terms and conditions of the organization's mission, bylaws, policies, and procedures
- Acting within the scope of their authority under the corporation's articles, bylaws, and applicable laws

- Focusing beyond the organization’s financial health to safeguard its charitable purpose
- Preserving the organization’s assets held in trust for the community

*Action items for board members*

- *Educate yourself on the organizational goals; act consistently with them*
- *Ensure you understand key laws & regulations and their implications for organizational governance*
- *Become aware of board policies and procedures*
- *Manage funds to fulfill the mission*

**BOARD RESPONSIBILITIES**

A board’s primary responsibility is to guide and direct an organization to ensure that it meets stakeholder needs. Three key responsibilities is to establish (or revisit at regular intervals) the organization’s vision, mission and values. Vision statements are usually broad, inspiring, and future focused. They guide the organization for many years. Vision statements *describe what an organization is striving to become in order to meet stakeholder needs and expectations.*

Mission statements lead organizations to meaningful strategies and goals. They energize stakeholders and position the organization as unique. Mission statements *describe the current primary work of the organization in service of stakeholder needs and expectations.*

Values statements are consistent with the mission and vision and drive action that supports them. Values statements *describe the core behaviors that guide stakeholder relationships, defining how the organization will act.*

Other key responsibilities include developing policies and procedures that provide a framework for the organization’s actions and decision-making, setting CEO compensation as well as directional goals for the CEO and the organization toward achieving specific levels of performance in areas such as financial health, quality programs and services, and safety, setting, managing and evaluating the implementation of performance goals, building a competent board, ensuring a legal and ethical integrity, and enhancing the organization’s public standing.

Whether start up, advocacy, professional nursing organization, for-profit or non-profit, ask what is your board role and responsibilities before saying – YES – then enjoy your opportunity to serve!

Resource

Board Source: <https://www.boardsource.org/eweb/>

*Nurse on board. Planning you path to the boardroom*, Connie Curran, 2016

*Policy & Politics in Nursing and Health Care*, Diane Mason, Deborah Gardner, Freida Outlaw, Eileen O’Grady, Seventh Edition

September 2016

