

THE TOP TEN SIGNS OF A DYSFUNCTIONAL BOARD

by
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ATTORNEYS AND CONSULTANTS who work with associations see their share of troubled boards of directors. In fact, I believe that troubled boards outnumber focused efficient boards by a substantial margin. Notwithstanding their problems, most boards seem to get by, although they could be better. However, when a board of directors has more than its share of troubles and struggles, it can become dysfunctional.

This article will point out the key indicators of a dysfunctional board. While every association has a different way of working, the presence of more than a few of these signs is cause for concern. Key indicators include:

Power Struggles - power struggles shift the board's focus from the business of the board to individuals or sub-groups gaining/maintaining "control." A board that is controlled by an individual or sub-group is inherently dysfunctional. So, whether right or wrong about the issues, controlling the board is harmful, while use of vision, influence, knowledge and ideas is completely appropriate and desirable.

Vote-Counting Prior to Meeting - counting and collecting vote commitments prior to a meeting is always inappropriate. It generally results in conflict, distrust, and weak decisions, because decisions are made prior to full discussion and analysis.

Lack of Civility and Respect - a board that tolerates hostility, aggressiveness, or disrespect among board members, weakens itself and wastes time and leadership input. A weak board finds it difficult to stop abuse, personal agendas, and other disruptive acts. It may have difficulty recruiting quality members.

Board Micro-management - whether you are micro-managed or not, you already know what I mean.

Preoccupation with Bylaws and Parliamentary Procedure - while bylaws must be adhered to, and on occasion may require clarification or interpretation, *disputes* about bylaws or parliamentary procedures usually indicates more serious problems beneath the surface. See "Power Struggles" above.

Focus of Negative Attention on the Executive - when one or a minority of directors is openly critical of an executive, a great deal of resources tend to be devoted to that issue. Distrust and struggles are likely to occur, along with frequently unfounded accusations against the executive. Many times, if not most, the problem is with the board itself, not just the executive.

Last Minute Proposals - if important or controversial items of business are handled via last-minute (read: sneaky) proposals when there is no true emergency, the board is probably being manipulated. Likewise, a board that is swayed by last minute proposals, and shallow or slick presentations without full analysis and discussion, is not doing its job.

Overly Powerful Executive - sometimes executives amass so much “control” over the association that board members feel no need to do their job, or are reluctant or too intimidated to openly question what is happening.

Directors as “Representatives” - when directors act as representatives of their constituents rather than in the best interests of the whole, difficulties will abound. Some directors go so far as to criticize the decisions of the board to their constituents -- a particularly disloyal and disruptive act.

Rump Sessions - while discussing problems and ideas outside of a meeting is fine, unofficial group discussions outside of official meetings nearly always exclude at least some key stakeholders, and therefore undermine communication and trust.

These are the basic signs that I have observed in my practice. Are there others that you could share? Please let me know.

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