



HOW BIG SHOULD YOUR BOARD OF DIRECTORS BE?

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Every trade association and professional society that is organized as a corporation is governed by its Board of Directors. Under the corporation law of most states a non-profit corporation must have a minimum number of directors. However, that minimum number may be as low as one Director. There generally is no limit on the maximum number of Directors. As a result, each non-profit organization can structure itself to have a Board with the number of directors that is most conducive to the proper operation of the Association.

It is our experience that for most organizations a Board of Directors of between 15 and 25 individuals works best. Once your Board exceeds 25, most of the work will be delegated to an Executive Committee and the Board will generally simply rubber stamp Executive Committee actions.

If a Board is much smaller than 15, the Board will tend to micromanage Association activities which is usually counterproductive.

As an Association Executive, it is your responsibility to ensure that Board members believe that service on your Board is productive. You want to have Board members who look forward to attending Board meetings and are positive about their roles as leaders of the organization. You

don't want to have Board members who believe that attending Board meetings are a waste of time and who believe that Board members have little control over the Association.

Let's look at the profile of a Board member of a typical Association. The Board member is someone who has spent quite some time in the industry or profession. He/She is a recognized leader, often on a national level. The prospective Board member either runs a company or has achieved significant recognition as a professional. This is a person who is a decision maker and someone who has substantial demands on his/her time. Odds are that the prospective Board member is treated with some degree of deference within his/her own organization and may even qualify as a high maintenance individual.

With this basic profile, let us put this individual within the universe of your Association's Board of Directors. Assume that your Board has 35 members. It meets twice a year. Each meeting is a two-day meeting and is scheduled to permit Board members to arrive in the morning of Day One and meet from 1 to 6 and then meet from 8 to 1 on Day Two and then travel home. This Board meets for approximately 20 hours per year. In a typical Board meeting, 20% of the meeting time involves

reports from various Committees and 20% of the time involves reports from Staff. The remaining 60% of the time involves Board member's discussion of the issues involved.

This means that each day of the four days of Board meetings provides 3 hours or 180 minutes for Board discussions. Assuming that 30 of the 35 Board members attend each meeting, each individual is allotted a maximum of 6 minutes for discussions per day.

In this hypothetical, our high profile, high maintenance individual travels halfway across the country, spends two days out of the office, is asked to review and absorb a comprehensive Board book for each Board meeting. In return, the Board member is allocated on an average of 6 minutes per day to voice an opinion.

What happens if the Board has 40, 50 or 60 members? The average time allotted to each Board member goes down significantly. Are your high profile Board members going to be happy in this type of scenario? Most of the time the answer is decidedly "No!" They will be unhappy,

frustrated, and will begin to question how the Association is managed.

In the past, some professional societies and charitable organizations have had large Boards of Directors that serve a primarily "honorary" function. These Boards did little in terms of actual management of the organization but served principally to add prestige to the organization and solicit funds. However, in the wake of Sarbanes-Oxley, more and more members of Boards of Directors of non-profit organizations refuse to accept an honorary or nonparticipating role in Association activities. These individuals demand that if they are to serve on the Board, such service be meaningful and that they be given the full opportunity to exercise their corporate responsibility.

As an Association Executive, you want to ensure that your Board is a happy Board. You want members of your Board to work together to accomplish the goals of your organization. We suggest that a Board of between 15 and 25 members is best suited for this task.