

Canadian Nonprofit Boards: Offering the Right Tools

The Resource Center site was developed with major support from the AFP Foundation for Philanthropy

(Oct. 13, 2009) A new study looking at trends in board governance shows that a little orientation, direction and training can go a long way in ensuring success.

The survey, commissioned by *Canadian Fundraising & Philanthropy* and Altruvest Charitable Services and conducted by Innovative Research Group, shows that clear board policies and mandates, formal orientation processes and ongoing director training separate high performance nonprofit boards from others.

The survey study, entitled *Assessing Not-for-profit Boards: Governance Structures and Practices*, reveals that nonprofit organizations that invest in orientation programs for new board members, ongoing director training and documented board policies and mandates are perceived as better organizations overall, have more effective boards and possess better quality individual board members.

What's Lacking

However, the study-commissioned by Canadian Fundraising & Philanthropy and Altruvest Charitable Services and conducted by Innovative Research Group-shows that among Canadian nonprofit organizations, not everyone is carrying out the recommended steps to build a stronger board.

- Seven in 10 (72 percent) have board manuals available for their board members, though only 43 percent of these respondents say their board manuals are comprehensive;
- Two thirds (68 percent) have clear mandates for their boards; and
- Two thirds (66 percent) have an orientation program in place for new directors; but
- Only a quarter (25 percent) provide directors with some form of ongoing board training.

"The results of this study remind us that some of the most powerful means of equipping not-for-profit directors to effectively do their jobs as a board member are the most basic: clear mandates, director orientation and ongoing education" said Janet Gadeski, editor of the *Canadian Fundraising & Philanthropy* newsletter. "But few not-for-profit boards achieve consistent excellence. The pressure on nonprofits to spend every contributed dollar on mission deters both CEOs and directors from spending any money on organizational capacity-building, including board support. In the minds of the media and the public, and according to Canada Revenue Agency regulations, money spent on board improvement is not a legitimate charitable expense."

About the Study

This study was conducted among 696 directors, executive director/CEOs and staff of Canadian not-for-profit organizations using an online survey. A broad range of sectors were represented, including Arts & Culture, Education, Health Research and Support, Hospital Foundations, Religion and Social Services. The size of participating organizations, measured by fundraising revenue, varied from "micro" (less than \$100,000; at 30 percent), "small" (less than \$1 million; at 38 percent), "medium" (less than \$5 million; at 19 percent), to "large" (more than \$5 million; at 13 percent).

Copies of the full report can be obtained through the *Canadian Fundraising & Philanthropy* website at www.assessingnfpbds.com.

Related AFP Resources

[The Think-Big Board](#)

[To Get Our Name Out There](#)

[Audioconference Highlights: How to Work With Boards, Even Though Boards Don't Work - December 2002](#)

[Foundation Campaign](#)

[AFP eWire Skill Builder Printable](#)
Version: April 21, 2009

4300 Wilson Blvd, Suite 300, Arlington, VA 22203 • 703-684-0410 | 800-666-3863 | Fax: 703-684-0540

©2009 AFP. This site content may not be copied, reproduced or redistributed without prior written permission from the Association of Fundraising Professionals or its affiliates.

[Privacy Policy](#) [Feedback](#) [Contact Us](#) [Advertise with Us](#)