

Blue Avocado

Boards Should Only Have Three Committees

By David L. Piana | June 7, 2009



Most nonprofit organizations have too many board committees doing too little work.

A typical nonprofit has several committees, such as Finance, Personnel, Development, and of course an Executive Committee. Often, when one committee malfunctions, the board appoints another. For example, when the Development Committee fails to raise funds, the board may appoint a special Annual Giving Committee to manage the yearly fund appeal. When none of this actually produces any appreciable increase in donations, the board may then charter a Major Gifts Committee to go after big donors. Therefore, in most cases, nonprofits do better by replacing this cumbersome structure with a simple three-committee structure consisting of Internal Affairs,

External Affairs, and Governance.

In addition, there should be an Executive Committee consisting of Chairs from each of the three committees and the Board President/Chair; however, this committee should not be allowed to take over the decision-making function of the board as a whole.

This structure has several key advantages:

- Each board member serves on just one committee and focuses on interrelated issues.
- It requires fewer meetings, making less work for staff.
- The accountability lines of the three committees are clear.
- Board meetings can be organized around the three committees' reports, reinforcing the importance of their work and affording more time for "generative thinking."

Committee Responsibilities

Internal Affairs Committee: All internal and operational issues—including those related to finance, human resources, and facilities—are handled by this committee which is staffed by the CFO and the Director of HR (or the ED where these positions do not exist).

External Affairs Committee: All external issues—including fundraising, public relations, and marketing — are the responsibility of this committee, which is staffed by the Development Director (or by the ED).

Governance Committee: This committee is responsible for the health and functioning of the board. It recruits new members, conducts orientation, produces board materials, and evaluates the performance of the board itself. This committee, staffed by the ED, is arguably the most important of the three. It is responsible for ensuring the effectiveness of the current board and for recruiting tomorrow's leaders.

The Executive Committee: Many nonprofits have an Executive Committee, typically conceived with a mandate to "take care of issues that come up between board meetings." Over time, however, an Executive Committee often begins to usurp the role of the board. It works closely with the ED and so hears of issues before they come to the full board, helping the ED to resolve them in advance of the next board meeting. As a result, board meetings

can become a series of reports by this committee and the ED on actions they have taken. Over time, other board members may feel they have no meaningful role in decision-making. Our advice: If your board meets fairly frequently — monthly or bimonthly — task your Executive Committee with organizing the agenda and nothing more. The only exception should be a true crisis in which the executive needs help.

In conclusion, nonprofits that have adopted this three-committee structure and that have limited the role of the Executive Committee, as described above, report that their boards have become significantly more effective as a result.

See also:

- [Abolish Board Committees?](#)
- [What's the Point of A Nonprofit Board, Anyway?](#)

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