



## Human Systems Dynamics Institute Generative Role of Board of Directors

The HSD Institute requires a special kind of support from its Board of Directors (BOD) because:

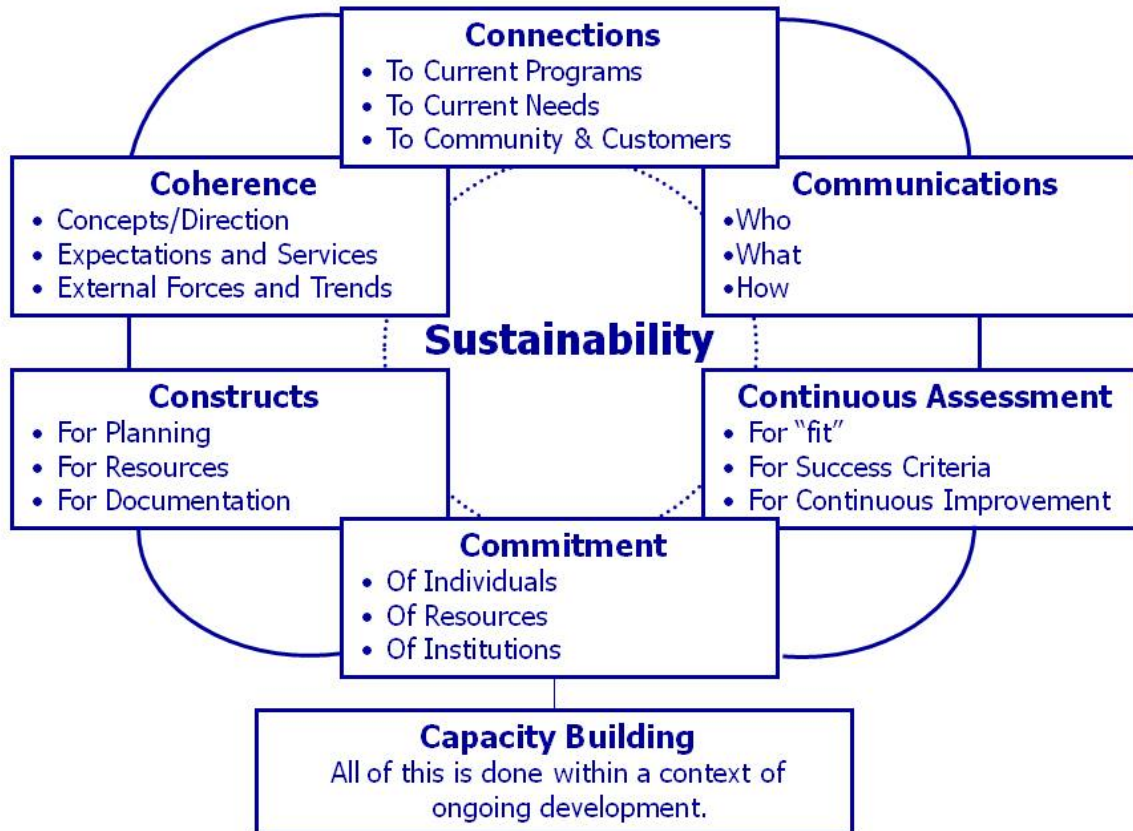
- We are a young organization with an even younger BOD having restructured the board in January 2008 and moved to a formal Board Chair in January 2009.
- Our historical business model—including research, consulting, membership network, publishing, product development, training—is quite complex.
- Our theory and practice base depends on complex adaptive social systems, an emerging field that challenges many traditional social and business models.
- We are at a critical transition point as the emergence of opportunities across the field accelerates.

In this context, neither of the restrictive roles of “advisory board” or “governing board” fit well with our needs today. We seek to define a new role for a BOD in our complex and (hopefully) adaptive business model. The chart below defines a new structure and function of a generative board of directors and compares and contrasts it to the two more traditional board roles. The work of the HSD Institute Board will be framed within this generative board framework.

| <b>Advisory Board</b>   | <b>Generative Board</b>  | <b>Governing Board</b>   |
|---|--|--|
| Provides oversight of ED, who holds fiscal accountability                       | Accepts accountability for fiscal stability  | Accountable for fiscal stability—approves budget and reviews performance against the budget    |
| Discusses strategic, operational, and tactical issues                           | Engages in dialogue with ED and each other about strategic issues  | Considers recommendations from ED and makes strategic decisions to be executed by ED           |
| No agreement required   | Creates generative agreement among board and ED  | Majority agreement among board members   |
| Provides support and advice to the ED   | Provides insight about working environment, suggests options, enriches recommendations from ED, supports agreed-upon actions | Reviews and approves strategic recommendations from the ED                                     |
| Provides input into job description and selection criteria for ED               | Hires and fires the ED; provides feedback and dialogue about performance   | Hires and fires the ED   |
| Provides feedback on suggested organizational policy                            | Sets organizational policy in response to recommendations from ED  | Sets organizational policy   |
| Selected for personal and professional insight into strategic issues/challenges | Selected for commitment to HSD mission and personal and professional insights and relationships to support strategic action  | Selected for expertise in business functions, including marketing, fund raising, finance, etc. |
| Members recommended by BD Dev Committee and elected by sitting board members    | Members recommended by BD Dev Committee and elected by sitting board members   | Members recommended by BD Dev Committee and elected by sitting board members                   |
| Engages ad hoc committees on specific issues of interest                        | Participates in standing and ad hoc committees on strategic issues/challenges  | Participates in standing committees on aspects of the business and business model              |
| Investigates reports of unethical or misguided conduct                          | Investigates reports of unethical or misguided conduct   | Investigates reports of unethical or misguided conduct   |
| Sets performance indicators and assesses performance of the Board of Directors  | Sets performance indicators and assesses performance of the Board of Directors   | Sets performance indicators and assesses performance of the Board of Directors                 |

## Roles and Responsibilities

Over the coming years, one of the most urgent concerns of the Institute is sustainability—in mission and fiscal stability. The Legacy Model of Change, shown in the image below, was developed by Royce Holladay to focus on the factors that are necessary to sustain an effort in a complex adaptive social system.



Royce Holladay  
Legacy of Change 2007

We frame Generative Board and Board member responsibilities in the following way:

### Connections:

- Support engagement with potential funders and clients, including:
  - Research partners and donors
  - Clients for training programs
- Connect with staff by:
  - Providing feedback
  - Sharing insights about the business and research environments
  - Responding to strategic, tactical, and operational questions
- Build productive and generative relationships with other members of the board during and between scheduled meetings

### Communications:

- Share information about HSD and the HSD Institute with others outside the community
- Respond to Board communications in a timely way
- Make concerns and suggestions explicit to staff and other board members

- Ensure external communications are managed effectively for the Institute, including communicating through the ED or Chair as appropriate, maintaining confidentiality, and supporting positive public relations and reputation.

#### Continuous Assessment:

- Participate in an annual assessment of:
  - Institute performance against goals
  - Board performance against expectations
- Participate in periodic reflections on individual and group performance of the Board

#### Commitment:

- Attend and actively participate in meetings
- Understand and support the mission of the HSD Institute

#### Constructs:

- Review and approve annual budget
- Review quarterly financial reports
- Review and approve Institute policies proposed by staff
- Inform and monitor development and execution of HSD Institute business model and strategies
- Approve meeting minutes

#### Coherence:

- Engage in on-going dialogue regarding HSD Institute strategy, tactics, and operations
- Conform to the HSD simple rules:
  - Teach and learn in every interaction
  - Search for the true and the useful
  - Give and get value for value
  - Attend to the whole, the part, and the greater whole
  - Engage in joyful practice
  - Share your HSD story

#### Capacity Building:

- Develop an understanding and appreciation for the mission of HSD Institute
- Recruit and orient new Board members
- Build knowledge and skills necessary to fulfill Board responsibilities
- Develop understanding of principles of non-profit management
- Assess capacity periodically to ensure that needed skills are developed