



Advising the Organization: Advanced Issues in Corporate Governance

By Jonathan S. Blum

UT Law CLE
January 15, 2016

Polsinelli PC. In California, Polsinelli LLP

“Effective governance by the board
of a nonprofit organization is a rare
and unnatural act.”

Barbara E. Taylor, Richard P. Chait & Thomas P. Holland, The New Work of the Nonprofit Board,
Harv. Bus. Rev. 36 (Sept.-Oct. 1996).



real challenges. real answers. sm

How Common are Governance Problems?

69% of organizations experienced serious governance problems in the last decade.

Source: "The Sorry State of Nonprofit Boards," *Harvard Business Review*, Sept. 2015, quoting the "2015 Survey on Board of Directors of Nonprofit Organizations," by David F. Larcker, William F. Meehan III, Nicholas Donatiello, and Brian Tayan.



real challenges. real answers. sm

Common Governance Maladies

- Board Conflicts
- Meddlesome Board Member
- Strong Executive/Weak Board
- Strong Board/Weak Executive
- Founder Syndrome
- Ineffective Committees
- Mission Drift



real challenges. real answers. sm

Exercise Caution!

The following analysis of symptoms and remedies to governance maladies presumes that **rational**, **reasonable** men and women are exercising their **fiduciary duties**.



real challenges. real answers. sm

Board Conflicts – Symptoms

- Bad behavior
- Generational conflicts
- Personal conflicts
- Structural conflicts
- Stagnation



real challenges. real answers. sm

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

Title search: Advising the Organization: Advanced Issues in Corporate Governance

Also available as part of the eCourse

[Answer Bar: New Boardmember Basics](#)

First appeared as part of the conference materials for the
33rd Annual Nonprofit Organizations Institute session

"Advising the Organization: Advanced Issues in Corporate Governance"