



## Strategy vs Management – The Bicycle Analogy

Governance is the process by which an organization realizes its vision, mission, goals, and objectives. It includes the way decisions are made, guiding principles, policies, and leadership culture. Good governance is enabled by a clear organizational structure that defines authority for decision making and accountability for strategy development and tactical execution of tasks.

For most nonprofits, including trade associations and professional societies, governance responsibility lies at the intersection of the board of directors (or trustees) and the chief staff officer (CEO or Executive Director). The effective collaboration and balance of power between the board and CSO is critical to mission impact. In our practice, we have found that finding this balance and creating a good foundation for effective governance requires clarity of roles and responsibilities between the board, staff and other volunteers. To help explain the distinctions, we use the bicycle analogy developed by our colleague, Mark Thorsby, CAE, founder of FrontWheel Consulting.

In this analogy, we liken governing to the front wheel of a bicycle – its job is to steer, or to establish the direction. Governing boards focus on the strategic questions: Where are we going? When do we want to arrive? Why are we going there? And What do we need to accomplish to make our dreams a reality? *A strong, strategic board that engages in governance-oriented work helps focus the organization for success and provides the guidance needed to make the most of resources.*

The back wheel of a bicycle provides the power to move the vehicle and rider forward. So too the staff and volunteers generate the power to move a nonprofit organization forward. The bicycle would not go anywhere without the back wheel, driven by the pedals and chain, propelling it forward. Likewise, a nonprofit organization must have robust management to propel it forward. The management team often consists of paid staff and unpaid staff (volunteers) working together for the benefit of the organization. But sometimes individual members of the board must also serve in this capacity, especially at the early stages of



organizational development. Management answers the questions: How will we get where we are going? Who will get us there? How much will it cost? and What needs to be done to accomplish the goals set out by the governing board?

Governing boards have important work to do on behalf of their organizations – strategic work that only they can do. This requires discipline to focus on setting the strategy, enabling strong operational management, providing guidance, establishing policies, and ensuring financial stability while leaving management of the organization to the chief executive officer and their staff. When the board is together as a group, their focus should be squarely on this strategic work. Where board members need to play both governance and management roles, it is critical to be intentional about setting aside separate time for each as the nature and tone of those conversations is noticeably different.

It is important to remember that the chief staff officer (CSO) has a unique part to play as well. The CSO (executive director/CEO) can be viewed as the rider of the bicycle – with hands firmly on the steering wheel and feet on the pedals – coordinating the strategic work of the board and the management work of the staff to ensure everything is moving in sync. The CSO contributes both strategy and management expertise to create a high functioning organization. And, the CSO may include key staff leaders in setting functional strategies based on the direction set by the governing board. In such a way, staff also contributes to the strategic direction of the organization, but ultimately the governing board, as a whole, sets the direction for the organization.

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