

## Ethics Q&A

*Q. In my organization, each chapter appoints a representative to the provincial board. But the one from my chapter has been voting against what the chapter wants. She says she votes for what's best for the province instead. How do we prevent such unethical behaviour from happening?*

### Jane's Response

I wish I could prevent the all-too-common unethical behaviour you describe - except you won't want to hear that it is you who being unethical, not her.

I realize that you don't intend to be. You and many, many others confuse the representative nature of the politicians you elect with the legal duties of a nonprofit director. Governments are representative, especially at the local level where there is no party discipline to sometimes conflict with constituency views. I'd like our politicians to operate in the best interest of the country, and the ethical ones try, but I don't think there is a legal way to make them.

However, a nonprofit director has a legal duty of loyalty to the organization at whose board table he or she sits **no matter how they got to that table**. By voting in the best interest of the province and the provincial organization, the person from your chapter is doing exactly as she should. Our organizations would function much better if every director had the education and courage to do that.

They need courage because of people who pressure them to put local or special interests first. It's not always geographic; sometimes it is a particular demographic or stakeholder group. At board tables where stakeholder thinking predominates, especially if the stakeholders have a financial interest in outcomes, there is also often paralysis and conflict. They have no common ground on which to base agreements. Decisions are either contentious or indefinitely delayed, usually harming the industry or sector they came together to benefit.

Relatively few people have had director education, even if they sit on numerous boards, so it is little wonder this issue is misunderstood. A great many Canadians will sit on a nonprofit board or equivalent at some point in their lives. They may sit on the board or steering body of a charity, arts group, faith organization, their kid's sports league, hobby group, riding association, service club, professional association or many other types, and may never hear it even called a nonprofit. Many join their first board while at university or college, so board education in the last year of secondary school would be great timing.

Let's come back to what you ask, because by now you are wondering why a chapter should bother sending anyone to the provincial board. The answer is that all directors need good strategic information to make their decisions. That includes knowledge of local issues and how an option under consideration might affect regions and communities differently. The people at the table have an obligation to share what they know when that will help all directors make good decisions. And their legal duty of care means they need to pay attention to what they learn from each other before taking a position.

You and others at your chapter can be immensely useful if you help organize information for her to take to the other directors. To do that, you might need to hold community consultations, do research or, at a minimum, have a good dialogue in the chapter about each key issue. She can then present the views of your community with greater confidence and credibility, and other provincial directors will be more likely to give full consideration to how decisions will affect your chapter and the area it serves.

Many multi-tier organizations have the kind of structure you describe, where the local groups elect or appoint members to the provincial or regional level, and the regions or provinces elect or appoint the national directors. While there will be issues that are potentially divisive since any option benefits one area more than another, these need not be frequent. If the whole community has collaborated on developing a shared vision of the country they are trying to create, and this organization's role (at all levels) in creating it, the interests will converge most of the time. If the whole community has been part of identifying and describing the values and principles that will guide the organization as a whole, then using those values as key decision criteria will reduce the times that interests conflict.

What I describe above also reduces how often the best interests of the community and the organization conflict, if ever. Nonprofits exist only to have a positive affect on their community. If and when their work no longer serves the best interests of the community, it is probably time to wind up the organization. There is no point considering the best interest of an organization that no longer has a meaningful purpose. I am using the term community very loosely here; it might refer to Canada or the world or your neighbourhood.

In summary, the reason the person from your chapter does not represent the chapter in the way you want is that she is not at the provincial level as your representative. The word "representative" should, in my humble opinion, simply be banned from use in referring to a nonprofit board, since it just leads to misunderstanding. Rather than calling her your representative, refer to her as "the director from our area."

I hope this helps. It's not an easy issue to explain or grasp.

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