

Running the Show

THE TITLE MAY IMPRESS. BUT THE TRUSTEE OF A NONPROFIT ORGANIZATION HAS FAR MORE IN COMMON WITH BILL THE GROCER THAN BILL GATES. BY JOHN SEDGWICK

DON'T DO MEETINGS, HATE BUREAUCRACY, rarely plan, and get slightly anxious on those rare occasions when I am not the only person in the room. So I was probably not the perfect candidate to serve as chairman of one of Boston's higher-profile nonprofits, the Associates of the Boston Public Library. But chairman I was, for more than four years—reasonably good ones if you ask me. And now that I have received my gold watch (a Movado, actually), let me pass along a few pieces of wisdom about a job that is like no other.

There are about 1.5 million nonprofit groups across the United States—from Ivy League universities and famous museums to anti-poverty organizations and tiny historical societies. They control most of the cultural, educational, civic, and historic entities that still make the U.S. a decent place to live. And who governs these institutions? Amazingly enough, people like me and (perhaps) you: people usually called trustees.

In lieu of a for-profit's bottom line, a nonprofit has a board of trustees. It not only directs the nonprofit but also determines how well it is doing. You might suppose that trustees, in turn, would be answerable to *someone*, but they really aren't. Sure, there are laws against certain obvious forms of bad behavior—plundering the organization's treasury, etc. But the states' attorneys general, who are usually responsible for enforcing such laws, usually have better things to do than go after the trustees of the local YMCA. As a practical matter, the trustees are overseen only by their leader, the chairman, who doubles as their god. I kid you not: That was me.

You say "trustee" and most people



think of the Metropolitan Opera or someplace. But actually most trustees are like the members of the board of the Associates of the Boston Public Library. That's because most nonprofit organizations look a lot more like the corner grocery store than they do Microsoft.

Our board was a motley crew of about 20 people—selected for (in declining order of importance) initiative, connections, or wealth. Not a single one was on the Forbes 400. We had a dues-paying membership of about 500, and our purpose was to help the library, with a particular emphasis on the glorious Charles

Follen McKim-designed central library in Copley Square. We had a paid staff of one, the executive director. The organization's annual budget was about \$100,000, which included the Associates' annual gift to the library of about \$40,000.

Particular as those characteristics might sound, the Associates had most of the problems that, I suspect, bedevil all such groups, small and large—the constant struggle for money, for self-definition, for attention, for harmony, and, oddly enough, for appreciation from the recipient of our exhausting benefactions, the BPL itself. As chairman, I played many roles—

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scold, beggar-in-chief, speech maker, strategist, gofer, group therapist.

But my main job, I realized early on, was to keep chaos at bay. Having been on the board in various capacities for five years, I had agreed to serve as vice-chairman only because I had been assured by all parties that my role would be largely ceremonial. Hah! Seemingly in minutes, I was chairing the meetings on a regular basis because the actual chairman failed to show up. Five months later, I became chairman for real when my predecessor had a spat with the executive director and quit in a huff. Amazingly, I got word of this momentous development at the Pierre bar in New York City, where an enterprising *Boston Globe* gossip columnist had tracked me down to ask me if I had any comment about the chairman's departure. (I confidently assured him that the organization would go forward, then ordered another drink.)

My ascension certainly didn't end the chaos. Only a nuclear warhead could have done that. For chaos, I now know, is a volunteer organization's default position. Mostly, I think, this disorder stems from the very nature of volunteerism, which may qualify as a type of insanity, so violently is it opposed to the baser, but more authentic, forces of immediate self-interest. For a few angels on the board, such sacrifice comes naturally. Lesser beings,

selves to commandeer the monthly board meeting to berate my predecessor, once for presuming to be a "daddy figure" and once for supposedly being anti-Semitic.

Then there's the gossip. A lot of this is to be expected: A few choice tidbits about who has done what to whom are reasonable compensation for volunteer trustees. But there is gossip, and there's malicious gossip, in which one board member, say, is actively trying to destroy another. This can lead to the factionalization, polarization, and, ultimately, balkanization of a board. There is also the private-agenda problem and its more virulent strain, the genuine conflict-of-interest problem.

All breed chaos. For-profit organizations are threatened by similar kinds of dissension and acrimony, but they have powerful weapons to combat them. They can pay people to be good, and they can fire them if they aren't. There are few similar inducements available to the chairman to influence the behavior of board members. I found that it worked best to ignore the bad stuff and focus cheerfully on the good.

As it happens, I have a terrible memory for minutiae anyway, and I oftentimes could not remember who had done me dirty. Thus, I was able to greet my worst enemies quite happily, simply because I had forgotten the rotten things they'd

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however, experience internal conflicts that can tie the entire board in knots.

I am thinking of the members who *promise, promise, promise* they will do something (plan an event, write a letter, make a telephone call) and then don't. Or, worse, they do it in such a lame, belated, useless fashion that their efforts need first to be undone (usually by the chairman) and then redone (usually by the chairman). Then there are ego problems, as the Beast Within demands to be fed, leading to petty disputes that sometimes flare up into open warfare. Before I became chairman, two board members took it upon them-

done. (This may have been Ronald Reagan's secret.) I believe this is called setting a good example. Beyond that, I found that it really helped to develop a purpose for the organization, one that was clear, sensible, and achievable, and then hammer it home so frequently and forcefully that everyone could recite it in his or her sleep.

I have since discovered that Define the Mission is the mantra of most experts in the slim field of nonprofit management. I can see now that one of the reasons our little band turned to internecine warfare was that it wasn't clear what we should be doing instead. It's one thing, after all, to

WHAT GIVES

IMPERSONAL GIVING Is the quid pro quo really the sine qua non of American philanthropy? In an annual U.S. Trust survey of the nation's wealthiest individuals, a surprising 73 percent of respondents claimed that encouragement or pressure from friends and family members was unimportant to their selection of charities. Instead, benefactors said they based donations on three main criteria: the reputation of the charity involved, the importance of the need being met, and how efficiently their time and money were used.

IT BEGINS AT HOME Neighborliness, on the other hand, is what earned Ed and Bernice Johnson their fortune—and inspired them to give it away. Owners of a gas station across the street from Nashville's Belmont University in the 1940s, the couple allowed their neighbor, entrepreneurial snack maker Herman Lay, to borrow gas on credit to keep his fleet of trucks running. When Lay's company went public in 1948, the Johnsons were the only non-employees invited to buy into what would become Frito-Lay (now owned by PepsiCo). The Johnsons, who never attended college, used the money to benefit Belmont students, donating some \$1 million for scholarships in their lifetimes. When Bernice died late last year, she left \$25 million in PepsiCo stock to the school.

MEDIA EFFECT Moved by heartbreaking news footage of the victims of hurricanes Georges and Mitch, wildfires in Florida, and tornadoes throughout the Southeast and Midwest, private donors gave to disaster relief in record amounts during 1998. But some storms outdrew others, says Mike Turner, senior director of disaster fund-raising for the American Red Cross, which spent a record \$160 million on 238 disasters last year. Fire and wind tend to spur more gifts than floods, Turner says. In the case of fatal tornadoes, donations sometimes even exceed the need. Funds flow in immediately after a storm, but usually trickle off after the reporters leave.

—Sara Austin

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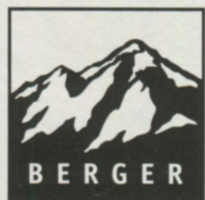
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call the Associates, as we routinely did, a "friends group of the library" and quite another to define that phrase in a way that makes sense to all concerned.

For a long while, the group took a scatter-shot approach, sponsoring play readings here and putting on photo exhibitions there, but it had no overarching purpose. At one point, it came to think of itself as a fund-raising organization. In fact, the Associates' efforts led to the creation of an independent fund-raising organization called the Boston Public Library Foundation, which has now raised more than \$25 million in much-needed cash for the BPL. But the Associates themselves were completely unsuited to raising money on any significant scale, and the fund-raising mission soon faded from memory.

When I took over in 1994, I saw that one common belief ran through the diverse members of the board. They all believed in libraries. That is, they valued books, reading, education. In an age that veered toward video, they clung to the primacy of text. And I did, too. After all, the books I had written were researched in libraries and were now available only in libraries. Among the greater public, the library was one of those motherhood-and-apple-pie issues. And virtually everyone in Boston had a good feeling about the Boston Public Library. But many had simply forgotten about it or dismissed it as another troubled municipal institution.

What the library needed, more than anything else, was a public-relations effort, one that reminded people that the library was a kind of public treasury whose holdings were texts. Celebrating the text became our credo. The Associates' job was to put on programs and events at the library that celebrated the text by showcasing books and authors, thus re-energizing the library as a happening place. We launched a new series called Here/NOW, which presented exciting, zeitgeist-touching authors like Nicholson Baker and Mark Leyner, who would attract a hipper, younger crowd to the library.

For the more traditionally minded, we started the Ultimate Book Club to discuss classic authors like Jane Austen and Henry James, whose books had returned to the public eye, usually via a well-publicized

movie. To remind the public about the library's unique holdings, we organized splashy benefits for individual collections at the library, like the little-known fine-arts department. We juiced up our signature event, the Literary Lights dinner, one modeled on the very successful Library Lions (originally, the Literary Lions) event in Manhattan, pushing attendance from 300 to 525 while still maintaining such an elegant yet festive spirit that the *Globe* called it the best bash in town.

Amazingly, the more we did these things, the happier the board members seemed to be. First, it became clear what they were there for. Second, we had a product that they could point to with some legitimate pride. And third, the board was geared to this particular set of activities. We added trustees who could help with these efforts, and we tried to shed the board members who could not, although this was much harder. It wasn't perfect, and I would expect my successor to address the current flaws.

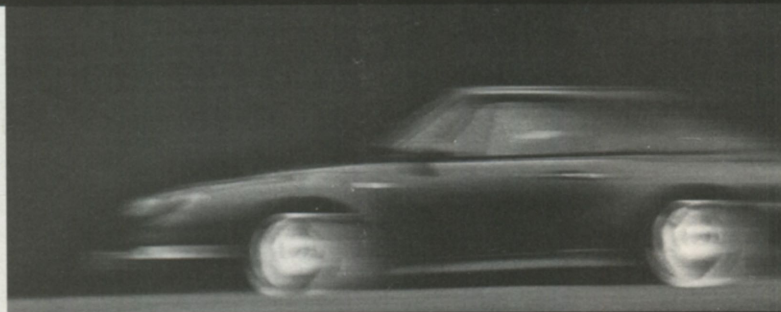
For one thing, the library already put on its own literary programs, so we were to some extent duplicating its efforts. For another, despite all the efforts at outreach, we were not able to expand our membership very much beyond the Associates' core Brahmin constituency. And despite the loyalty of the BPL's new president, we had trouble winning the support of other powers of the library, from the trustees on down to the all-important custodians, who set up the rooms for our various events and who could (and did) make our lives miserable if they chose.

So, how to be a board chairman? Just follow these three simple rules: 1) Keep it positive. If you concentrate on what's going right, what's going wrong will eventually fade. 2) Set a personal example of the behavior you seek. Everything starts at the top. 3) Define the purpose of the organization clearly, succinctly, and often. The mission is all to a nonprofit, and it's the chairman's job to identify it.

In my experience, if you do these three things, happiness follows. Otherwise, look out. The chaos will consume you. ■

Contributing editor John Sedgwick covers philanthropy.

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