

CASE STUDY

Understanding the Difference Between Governance and Leadership

How Platinum Group helped a nonprofit develop a healthy board of directors

SITUATION

A dysfunctional board of directors was in crisis, plaguing the efforts of a substantial, well-run and financially stable nonprofit organization that serves challenged children and their families. Platinum Group was introduced to the organization's board and hired to provide advisory services. The overall goal: Assess the governance, leadership and operations of this nonprofit with the goal of improving the organization's ability to create a healthier, more productive environment.

CHALLENGES

- There was little to no governance, due to board member conflicts.
- The existing board and the leadership were at odds with one another.
- Lack of governance limited the nonprofit's strategic planning efforts.
- Financial oversight required additional expertise.

RESPONSE

Platinum conducted an Opportunity. Assessment to identify key issues and a plan to address them. The assessment covered governance issues, leadership, operations, finance and accounting. It also included an organizational survey to determine the level of support for the leadership and determine if the CEO should be asked to leave.

Research indicated the need for a larger board to support this nonprofit's size and operations. Platinum prepared the board requirements, then recruited and interviewed potential new members. Platinum also made board recommendations, then facilitated the onboarding of these members and the communications between the new board and management.

Platinum's assessment showed that the CEO was an excellent leader and manager and had built an exceptional team of people who were dedicated to the organization and to the leader.

The assessment also indicated a need for oversight of the financial management of the organization. Platinum also agreed to step in as interim CFO to provide the needed financial oversight, management and planning until a full-time CFO could be recruited.



RESULTS – After more than a year, a new nine-person board of directors is focused on working collaboratively with the CEO and new governance guidelines are in place. Platinum's support for the CEO has been integral to keeping this very productive team focused on growing and serving more families. A new CFO has been hired and Platinum continues to provide part-time advisory services and mentoring for the CEO. The organization has grown by more than 20% in the last year and has constructed a new facility to house the growing number of families involved in this very valuable service.