

ELIZABETHTOWN-WHITE LAKE AREA CHAMBER OF COMMERCE

BOARD ORIENTATION HANDBOOK PRESENTED FEBRUARY 4, 2016

What is a Chamber of Commerce?

A chamber of commerce is a federation of business, industrial and professional firms and interested individuals working together to enhance the economic and socioeconomic health of their community.

It is a non-profit mutual benefit corporation of voluntary membership that invests time and money to carry forward programs relevant to members' needs and that affect the orderly growth and development of the community.

It is the catalytic agency that brings together all of the forces, both public and private, through which common goals can be resolved.

The mission of the chamber of commerce is to promote a favorable business climate for our membership and community: to work on issues of community interest and provide business leadership for improvement of the economic, political environment and quality of life.

The essential ingredients for an effective chamber of commerce are:

- a sound organizational structure
- a meaningful program
- responsible leadership
- a sound financial basis

The Chamber is not a social club, a charity or the city. Although it is not for profit, the IRS code for mutual benefit organizations is 501 (c) 6 **not** (c) 3 as a church, the American Red Cross or a retirement home would be.

The Chamber of Commerce Idea

The Chamber of Commerce idea is a concept found only where private initiative and free enterprise exist.

The Chamber of Commerce as a wholly volunteer institution in the United States is eight years older than the Declaration of Independence. The New York State Chamber, the first in America, was organized in 1768, and five years later the first local chamber was formed in Charleston, South Carolina.

Most chambers have their basic roots in the “town booster” type organization, competing with neighboring communities for trade, tourism and economic development. In the 1950’s and 1960’s, chambers placed a major emphasis on industrial activities, believing that new industrial jobs would solve all community problems. Chambers entered the 1970’s with huge problems of inadequate housing, schools, community services and high unemployment. The new role for chambers expanded to socioeconomic concerns. They came to understand that the health and vitality of the business sector are affected by the health and vitality of the community. It has been generally accepted that the role of the modern chamber is two-fold: 1) to promote, with its maximum resources, the development of new and expanded payrolls (an economic development responsibility), and 2) to work for a continuous upgrading of the “product”, which is the community it serves.

The chamber of commerce of the 1990’s can no longer ask its members, “What do you want your chamber to do?” Instead, it is asking, “What kind of a community do we want ours to be?”

In another role, chambers are more active in political affairs, realizing that problems facing them can best be dealt within the legislative arena.

As a federation of business and professional firms within the community, chambers have a great power and influence through the factual information they provide and the ability to keep chamber members motivated to communicate regularly with their legislators.

Cities and towns are what their citizens make them. The chamber of commerce is the vehicle through which the community’s needs are met.

In these 250 years, the chamber has grown from a single purpose Federation of Trade, which was organized to promote trade and cut costs by cooperating in certain operations, to a broad community development association which believes that when men and women of high purpose work unselfishly on common problems, progress will result.

Your Chamber of Commerce

Your chamber is a voluntary federation of business and professional people working together to build a healthy economy and to improve the quality of life in your community.

Chamber members are businesses, organizations and individuals concerned with the socioeconomic climate of your community. They have joined together because they know they stand a better chance of getting things done when they speak as one voice.

As it works to improve your community's economy and quality of life, your chamber keeps these broad objectives in mind:

- to help business prosper and grow
- to increase job opportunities
- to encourage an orderly expansion and development of all segments of the community
- to promote the area to visitors
- to contribute to the overall economic stability of the community

Your chamber provides the means through which businesses can work together to the benefit of all.

The Board of Directors

Qualifications

The board of Directors is the policy body of the Elizabethtown-White Lake Area Chamber of Commerce and Tourism. Its members represent a cross-section of the business and professional leadership in the community. It has always been considered an honor to serve on the Board. Genuine and unselfish interest in the Chamber and its objective is the first requirement for the Board members.

Other qualifications include:

- A willingness to make time, effort and financial commitment necessary to give the proper attention to Chamber responsibilities.
- A business and work experience that will assist in the exercise of sound judgment in considering problems of the Chamber as they relate to the overall program of community development.

- The ability to inspire others and to command the respect of associates in responding to worthwhile initiatives sponsored by the Chamber, and to motivate others to resolve community problems.
- The ability to work constructively and harmoniously with directors, members and staff of the Chamber in accordance with policies established by the Board of Directors.
- A top-level “policy” decision maker for his/her firm, usually the chief executive officer of the business with the ability to commit his/her firm’s human financial resources to the work of the Chamber.
- A demonstrated ability for leadership in community service.

The proper performance of responsibility by directors and officers is vital to the sound and efficient operation of the Chamber.

Good Board Member:

- Approaches his/her responsibilities in the spirit of a trustee on behalf of the members.
- Stands up for his/her convictions, even at the cost of misunderstanding or disapproval in his/her business or social life.
- Backs up other board members and staff, rising to their defense when they are unjustly criticized or attacked.
- Treats staff as a partner in high calling, while maintaining overall supervision and control.
- Welcomes information and the best available advice, but reserves the right to arrive at decisions on the basis of his/her own judgment.
- Respects the right of other Board members and of staff to disagree with him/her and to have a fair hearing of their points of view.
- Accepts as routine and supports those decisions that are made by a majority vote that will at times go against him/her.
- Criticizes, when necessary, in a constructive way, if possible suggesting alternative course.
- Recognizes that his/her time and energy are limited and that over-commitment may prove self-defeating.

- Endeavors to keep disagreements and controversies impersonal, and to promote unity.
- Maintains loyalty to his/her agency, within a high loyalty to the welfare of the community and to humanity as a whole.

Functions of the Board

To get a good sense of the operational necessity of having a Board of Directors, you should first review the functions usually performed by a group. If you ask different people, or read different manuals on the duties of a Board of Directors, you will get as many different answers as the number of sources you consult. Listed below, however, are the more widely accepted functions or duties of a Chamber of Commerce Board of Directors.

The Board of Directors shall:

- Set the overall policy of the organization
- Determine the goals of the chamber through an approved Program of Work
- Provide adequate funds to do the job through the annual budget
- Establish the dues structure
- Approve the structural organization to include an organization chart
- Provide elections of directors and officers in accordance with the by-laws
- Recommend changes in the by-laws
- Approve in advance all expenditures exceeding \$500, not included in the budget
- Fill all vacancies occurring on the Board of Directors in accordance with the by-laws
- Meet as required in the by-laws, or more frequently on the call of the chairman, or on the board's own motion, and set the dates for such meetings
- Provide adequate facilities and equipment
- Employ and annually evaluate the performance of the Executive Director

This list could be longer, but these are considered to be some of the more important functions for the effective operations of a chamber and a board of directors. You must ask yourself, however, when you become a board member, what are you expected to do? What specific things are you responsible for? How can you work best to help the board fulfill its purposes? Your personal role on the board will, of course, depend on your own expertise, interests and time commitments.

Functions of the Board Member

You should plan to:

- Attend every meeting of the Board of Directors
- Volunteer to work on the Board's committees in areas where your own work and life experiences will best be used
- Take an active role in discussing and developing all new policies and procedures for all chamber matters, including the chamber's annual operating budget and spending plans
- Take an active role in reviewing and evaluating the major programs designed to serve the membership and committees
- Prepare for each meeting by doing any homework necessary to be informed and to take an active role in meetings
- Make sure that your opinions and thoughts on all matters that come before the Board are presented in a way that represents the interests of the membership
- Avoid any conflict between your personal interests as a citizen and your interests as a member of the chamber and Board of Directors

All of the activities and tasks listed above may make things sound like you have agreed to take on a full-time job. To assure that this does not happen to you or other board members, boards have developed a greater reliance on working committees. By creating committees that focus on specialized aspects of the organization's operational needs, board members are allowed to make valuable contributions to the success of the chamber without being **deeply involved** in every aspect of board business. The idea behind creating the committees is to allow a relatively small number of board members to become very familiar with one or two aspects of the organization's operations. These "few", then become the sources and/or create information on their committee's area of focus for the entire Board of Directors. It is this information and its flow to the larger board that helps the board become more effective in carrying out its management and leadership responsibilities.

Overall, serving on the Chamber Board of Directors does not come without obligation. It carries a strong need for commitment on your part. Serving on a Chamber Board of

Directors, however, should also be enjoyable, and rewarding, both personally and for your business.

Relation to the Chamber Policy

It should be understood, of course, that an individual director has no authority to commit the chamber to any action or policy. A director's status is that of an individual acting in a legislative capacity. A director has a right to exert his/her influence with the board for the approval of such actions and policies as he/she favors, but his/her authority does not go accordance with the by-laws governing such decisions.

Relation to the Public

Each member of the board of Directors is an official representative to the membership and unofficially to the public. He/she should be ready at all times to defend the chamber against criticism or, where the criticism appears to be justified, take steps to remedy the condition causing the criticism by bringing it to the attention of the Board of Directors for action.

How Should a Meeting Be Run and What Can I Expect the Outcome to Be?

The most important means of communicating plans, accomplishments, problems and the current state of affairs with the chamber, is through board meetings. If the meetings are run well and the expected outcome of each meeting is well stated, your work as a board member can be more effective and more enjoyable. If you leave the meetings wondering what took place or how and why a particular issue came up, chances are you will be frustrated. If this frustration continues from meeting to meeting, you may lose your motivation to be a board member and may become suspicious of your fellow board members' motives in serving on the board.

To assure that this frustration does not build and that you remain highly motivated, you must be active in working to make each board meeting informative, productive and effectively run.

Expect the following:

Each meeting should be outlined in an agenda. The agenda should include the date, starting time and place of the meeting and a listing of the items to be covered during the meeting. To make matters move more quickly, the printed agenda should be emailed to each board member a few days prior to the meeting. A typed copy of the minutes from the last meeting and the financial report should also be included in this

mailing. Sometimes, any written materials that relate to matters to be addressed will also be included.

The meetings should be conducted by the President of the Board of Directors. In his/her absence, the President-Elect should preside. To make the meeting orderly, the Board should follow Robert's Rules of Order or some other formalized method for conducting regular business. The rules of order adopted by the board should include means for:

- a. convening the meeting;
- b. conducting orderly discussions on matters
- c. making and passing motions; and
- d. receiving reports from operating committees, the Executive Director or others whom the board has decided to hear.

Discussions on the business of the board, which occur during the meeting, should be to the point and individual comments should be kept as brief as possible. While each of us likes to hear ourselves talk, others may not share that joy. You should come to each meeting well prepared, having read all relevant materials. You should take an active and productive role in discussions. Make motions when you feel they are appropriate. Do not feel any reluctance to voice disagreement or agreement on a matter that is before the board. Your opinion might be the one that moves to make the best decision on the issue.

Board meetings are held monthly prior to the monthly chamber lunch meeting. The Executive Director will send out reminder notifications prior to each monthly board meeting. Please plan your calendar accordingly. If you can not attend the board meetings, please notify the chamber office with the reason to be excused. Please also note that the Chamber's by-laws do contain an attendance policy. Board members that miss three meetings in a row without being excused will be automatically removed from the board unless opposed by those voting at any meeting therein.

Overall, board meetings that are well planned and well run make your work as a board member more worthwhile. Each board member has a responsibility to assure that the meetings are well planned and well run.

LEVELS OF RESPONSIBILITY IN A VOLUNTEER ORGANIZATION

Elizabethtown-White Lake Area Chamber of Commerce

Members: The partnership of business and professional people working together for the betterment of the community

Board of Directors: The individuals elected by the members to direct the affairs of the Chamber. **This is the Policy Making Level.**

Officers: The individuals elected by the Board—the President, President-Elect, immediate Past President and Past President-Elect. **This is the Direction Level.**

Ex Officio Roles: The individuals will be appointed time according to the by-laws. **Ex Officio's act in a supporting role to the Officers, by offering assistance and discussion, but do not have a vote.**

Staff: The chief paid executive, whose title at our chamber is Executive Director, is hired by the Board. This individual is responsible for the day-to-day management of the Chamber. He or she is also responsible for employing and managing the staff. **This is the Management Level.**

Committees: The membership of the organization working in small groups or task forces to achieve the chamber's objectives. **This is the Planning and Action Level.**

Elizabethtown-White Lake Area Chamber of Commerce
Board Member Commitment Form

As a member of the Board of Directors, I will commit to my responsibilities as outlined below:

- *Participate in determination of and promote the Chamber's mission, vision, and values;*
- *Make every effort to attend all meetings of the Board and, when unable to attend, notify the staff of my absence;*
- *Assure legal and ethical integrity and maintain accountability;*
- *Support the Executive Director and assess his/her performance;*
- *Remain a member in good standing;*
- *Contribute knowledge and experience to help assure success of programs and goals of the Chamber;*
- *Commit to serving on at least one committee and contributing elsewhere when able;*
- *Strive to attend a good portion of Chamber functions, including ribbon cuttings;*
- *Assist in recruiting new members;*
- *Promote sustainability of leadership by identifying future volunteers;*
- *Respect confidentiality;*
- *Be an advocate of the Chamber by promotion membership, programs and events;*
- *Strive to support fellow members by giving them priority in my personal and business interests; and*
- *Abide by the governing documents of the Chamber.*

Name _____

Date _____

Signature _____