

Intentional Nonprofit Board Service

In 2018, the Nonprofit Census Committee conducted interviews with seventeen Boston Club members serving on twelve different nonprofit boards included in the 2017 Census about their experiences joining and leading nonprofit boards. The research results point to several ways to increase the effectiveness of nonprofit board onboarding, integration and evaluation to maximize board member effectiveness. Some of these are efforts that can be undertaken by individual board members as they begin their journey as new board members, others are steps that can be taken at inflection points by board members, and still others are initiatives that can be driven by boards themselves. Lisa A. Cohen, CEO of Capital Motion and a member of the Committee prepared our report.

The Boston Club's biennial nonprofit *Census* is an important quantitative evaluation of the demographics of the leadership teams of the largest nonprofits in Massachusetts. This qualitative survey includes results of interviews with seventeen Boston Club members serving on twelve different nonprofit boards, including hospitals, educational institutions, museums and major social service agencies about their experiences joining and leading these boards. Many of these women serve on more than one nonprofit board, and the organizations on whose boards they serve vary widely in size, as measured by annual operating budget, from under \$2 million more than \$50 million. Some respondents also serve on private sector boards for which they receive compensation.

From “Thrilled to Be Here” to Intentionality

While Boston Club members have a wide variety of career and professional experiences, the commonality in their path to nonprofit board experience lies in their commitment to mission. Several women spoke of paths to board service that grew out of a deep personal or philanthropic commitment to a mission or cause. Many others described a first step to a board role as participation on a committee of a nonprofit board, and many of those we spoke to noted that, for their boards, committees are a source of candidates for board roles, confirming the value of this path. Committee work may be for a specific event, for a research program or for a board subcommittee or other initiative.

While nearly all respondents reported that their boards have formal or informal board member onboarding, integration and evaluation processes in place, these programs seem to vary widely. Most orientation programs were described as measured in hours. These processes seem to be having somewhat inconsistent results as survey respondents reported widely varying levels of understanding of both formal and informal board and organizational roles and functions.

Several of those recruited to roles on fiduciary boards reported introductions by colleagues followed by a single round of interviews by the CEO and other board members. The Boston Club referred several members to the boards on which they currently serve. Several of those recruited to fundraising boards reported a process that



involved one or two interviews followed by an invitation to join the board. Respondents reported that many of the boards on which they serve do have formal board member evaluation programs.

The women who moved intentionally toward leadership positions highlighted active engagement, or what one respondent described as becoming “visible faster,” as their path to success in reaching board leadership roles. Examples included instances of respondents stepping forward to work on a specific initiative or committee where their expertise had particular value, and in so doing having the opportunity to build and/or deepen important relationships. We can reasonably conclude that these opportunities also created an environment conducive to showcasing more than just a narrow slice of their expertise, and that looking for this kind of opportunity is a good way to create forward motion in a nonprofit board environment as well as to begin a board career, as noted earlier.

Most of the boards represented in this survey have, as we would expect, traditional structures that are not as far as survey respondents are aware, undergoing significant structural change. These organizations typically have fiduciary boards, boards responsible for oversight of financial, legal and policy matters for the organization, and which also play an ambassadorship role, and often also boards of overseers, or other similarly articulated boards, which are not fiduciary boards, and whose responsibility is primarily fundraising or community outreach. Some of these boards may have as many as 100 members. Many organizations have advisory boards as well. Some nonprofits may have multiple advisory and overseer-type boards. Most boards were reported to have standing committees – these generally include Audit, Finance, Nominating, Governance, Development, and others specific to the organization’s mission. Respondents report terms to be standard for this group of nonprofits: generally, three years, renewable once, or twice, with a one year time out and the option to return to the board after that.

While respondents reported positive evolution and affirmation of support for increased diversity among the boards on which our members serve, we would not at present report a focus on diversity as driving wholesale board restructuring. Respondents report that the boards on which they serve are paying attention to dimensions of diversity that include skills, career, age, gender, race, and economic background, particularly as that diversity relates to the organization’s commitment to and delivery of its mission.

A positive for those beginning a board service journey are the generally reasonable expectations for contributions - both give and get - reported by many fundraising boards of even large institutions. Most members currently serving on Boards of Overseers report that the contribution “ask” for their organization is around \$2,500, and several respondents reported their organization to be open and flexible to giving at whatever capacity the board member feels is comfortable. There is an expectation that those serving on fundraising boards will participate actively in fundraising and other related events. Those serving on fiduciary boards report an expectation of giving “more” significant amounts, along with event participation, and a commitment to “get” gifts and/or to identify potential donors.

Moving Forward

For boards and board members to reach maximum effectiveness, both parties must engage intentionally toward that goal. Both boards and directors have an obligation to fully recognize and meet their responsibilities as members of fiduciary and governing boards. That may require, in some instances, actively moving beyond “wishful thinking” and assuming a perfect match of board needs and director skills, to developing and deploying tools to evaluate board member skills and knowledge relative to what today’s nonprofit boards need now from

SPECIAL REPORTS

their directors and fully deploying solutions to meeting those board development needs.

In an encouraging sign, many boards – particularly those of larger organizations - have some formal board development programs in place; this research suggests there is room for boards to evaluate the effectiveness of those programs and to improve their structure and delivery. Boards must, of course, provide baseline information about the organization, its business models, programs, governance structures, executive team, volunteers, financial condition and funding, legal matters, and mission-specific issues to their directors. Committees must have the detailed and specific information they need to do their work as well.

Presenting this information may also be an opportunity to share context as well as background that may make this information even more useful to directors. For example, annual financial statements could also be accompanied by a briefing of annual updates to – and even perhaps a refresher of - nonprofit accounting rules. Boards might consider including an annual discussion of key points of the organization’s by-laws as well along with reviewing any proposed updates. Everyone loves a good infographic; it may be helpful to show board organizational structures (as well as facts and data about the organization) in this simple and intuitive way as well. This is particularly important for organizations with multiple boards.

Board members can also take increased responsibility for their own onboarding with the understanding that these formal programs cannot always provide a complete picture of the organization’s culture and formal and informal governance and internal structures. Incoming board members can create their own 90-180 day onboarding plan, meeting as appropriate with organization executives and other board members and requesting information they need to understand the organization. In addition to a focus on the governance structures and relationship development, attention should be paid to upcoming opportunities to contribute. As board members reach inflection points in their board service careers and wish to fully explore how their nonprofit board service can positively impact other dimensions of their professional lives, they can and should take steps to proactively evaluate their current board engagements and make decisions about where and how to put their energy and efforts moving forward. These inflection points, most likely coming later in a board service career, may require a more comprehensive evaluation of multiple board commitments relative to longer-term career interests and goals. Some examples of specific steps to take at these points can include consideration of committee assignment changes, undertaking special projects and assignments that may afford new opportunities and expose skills to a broader audience, or cultivation of relationships with new board members.

Regarding the incredibly important topic of diversity, boards seeking to be more intentional in creating structural change to address diversity may choose to use some of the information in this survey as foundational to their thinking about, as one respondent suggested, “ways to build pipelines without taking the risk of putting a completely unproven player on your board.” We heard loud and clear that nonprofit board committees are a tried and true pipeline into board work, and once on a board, committee work is also one of the best ways to showcase both specific skills and teamwork. This suggests to us that the committee structure is a well-recognized model for broadening exposure, developing new relationships and discovering talent. As such, we suggest that boards wishing to increase diversity in their ranks consider actively building committees for specific projects and assignments and populating those committees with emerging talent, creating a path toward cultivating greater board diversity and meeting these goals.