An Ecosystem for Nonprofit Leadership

An Initiative to Build Nonprofit Board Service Capacity

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# Introduction

Nonprofits are vital to healthy communities, providing critical services across a broad spectrum of issues, enhancing public life, lifting the voices of marginalized populations, and contributing to the economy. In Michigan alone, nearly 11% of the workforce is employed by nonprofits, organizations that, by their very mission, empower others to contribute to their community’s vitality in their own way (Michigan Nonprofit Association, 2014).

By their nature, nonprofits do not exist in a vacuum. They are intrinsically connected to governments, funders, education, and business in what amounts to an ecosystem of interrelated organizations and individuals. Through aligned purpose and shared values, this ecosystem can maximize the good it creates, fostering inclusive growth and demonstrating how one entity’s success can lead to better outcomes for all.

Yet ecosystems are inherently complex. Changes in one foundation’s funding priorities, for instance, or one nonprofit’s programmatic output can influence the availability of, and demand for, a particular service that then impacts others in that arena of work. Nonprofit leadership, staff and board alike, need to be able to understand these dynamics and their role within them in order to develop mission-focused, sustainable organizations.

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# A Gap in Nonprofit Leadership

In a time of growing economic inequality, the nonprofit sector is struggling to meet demand for all types of services (Nonprofit Sector Survey, 2015). While competent staff leadership and reliable revenue sources are necessary for nonprofit sustainability, “a nonprofit cannot thrive long without strong board governance” (Meehan III and Jonker, 2018, p. 167).

Despite the critical role that boards play, nonprofit organizations struggle to recruit and develop well-trained, diverse boards that can positively support organizational effectiveness (Independent Sector, 2015). Many who do serve on boards are often recruited from the first-degree networks of existing board members (Brennan and Forbes, 2019), often minimizing diversity of thought and representation. Add to that the challenge that the majority of sitting board members lack a clear understanding of their roles and responsibilities (BoardSource, 2017).

In order for nonprofits to fulfill their fundamental role of facilitating community responses to community needs, they must pull from the ecosystem’s full range of stakeholders and provide a meaningful board experience for these volunteer leaders. Board service is one of the most potent opportunities for residents to take an active role in building a strong civil society and addressing the issues they care about. Success requires commitment and capacity from all sides.
Building an Ecosystem for Nonprofit Leadership and Board Service Capacity

The Ecosystem for Nonprofit Leadership project will address this challenge. Designed by a broad cross-section of the West Michigan community — including businesses, nonprofits, educational institutions, and philanthropic leaders — this project seeks to develop an innovative approach to strengthening our civil society by building the capacity of nonprofit organizations to work effectively with diverse board members and the capacity of those board members to support and shape sustainable organizations.

We believe that building the capacity of organizations to work with diverse board members and the capacity of a more diverse group of individuals to serve on boards, then creating mechanisms to bring them together, can effectively address this challenge. Not only will individual nonprofit organizations benefit, but the entire ecosystem of the community will deepen its capacity for leadership.

After two years of listening and gathering community insights, the Ecosystem for Nonprofit Leadership project seeks to:

- **Prepare nonprofit organizations to include diverse voices.** Incorporating diversity can be challenging for organizations as they learn to listen well to different ideas, engage various cultural contexts, and integrate new ways of behaving. It is a complex issue that moves beyond board composition to “transforming [the] cultural and structural parameters” of how the work is done (Fredette, Bradshaw, and Krause, 2016, p. 46S).

  An organization’s culture, the environment it operates within, and the social capital it yields, all play a role in board composition (Gazley, and Nicholson-Crotty, 2018; Fredette and Bradshaw, 2012). Nonprofits must be prepared to move through this complex transformation to full inclusion.

- **Prepare a diverse group of community leaders to serve on boards.** Leadership is a question of influence rather than position. In this effort, we seek to prepare individuals at all levels of the community to be effective board members who can wield social influence on behalf of nonprofits and help these organizations maximize their overall mission impact. This will mean calling upon the entire ecosystem to identify and engage a diverse population for board service.

  In the most simplistic form, diversity is merely variety. Having more diverse voices in the room leads to better decision making and helps avoid groupthink. Research tells us that boards with both racial/ethnic and gender diversity have more effective governance practices (Buse, Bernstein, and Bilimoria, 2016).

  And while little study has been done on the impact of age diversity in the board room, we do know that only 17 percent of board members are under the age of 40 (BoardSource, 2017). Helping the next generation engage in board service requires new ways of thinking and organizing, as millennials are known to prefer a more hands-on approach in the way they serve than older generations (Goldseker and Moody, 2017).
As the community develops a large, diverse pool of qualified board members it will eventually reach critical mass. Board members will move from one organization to the next, taking what they’ve learned and creating increased capacity wherever they go, thus strengthening the entire ecosystem.

- **Create opportunities for connections.** Human nature dictates that we tend to gravitate to people who look like us, think like us, and act like us. The Ecosystem for Nonprofit Leadership seeks to break this cycle by developing and implementing a program that will forge connections across the many populations and sectors that interact within our ecosystem. Creating connections across generations, ethnic groups, socio-economic class, or religious identity, can bring strength to nonprofit organizations and their ability to positively impact the community.

- **Build a replicable, ecosystem-based model for expanding and improving board service.** This project is designed first and foremost to have an immediate, local impact on our West Michigan ecosystem. However, the fundamental challenge at the heart of this project affects communities far beyond our own. This project will ultimately seek out mechanisms through which we can share our learnings and the concrete models and tools that emerge with the larger field.

### Project Plan

**Stage One: Identify Actors in the Ecosystem & Develop Model**

*January–July 2019*
- Clarify role and structure of project leadership team
- Identify and cultivate necessary partnerships
- Design program and evaluation criteria
- Design connection events
- Secure funding

**Stage Two: Create Training Curriculum**

*August 2019–February 2020*
- Identify core competencies necessary for effective board service
- Identify core competencies necessary for CEO to effectively work with board
- Develop curriculum at organizational level and for community leaders
- Finalize connection event model

**Stage Three: Test Model**

*March 2020–February 2021*
- Implement training for organizations
- Implement training for community leaders
- Implement connection events
- Ongoing data collection for evaluation

**Stage Four: Evaluate & Disseminate Model**

*March 2021–December 2021*
- Evaluate competencies
- Evaluate curriculum and training delivery
- Evaluate model effectiveness
- Disseminate key learnings to broader community and sector
References


