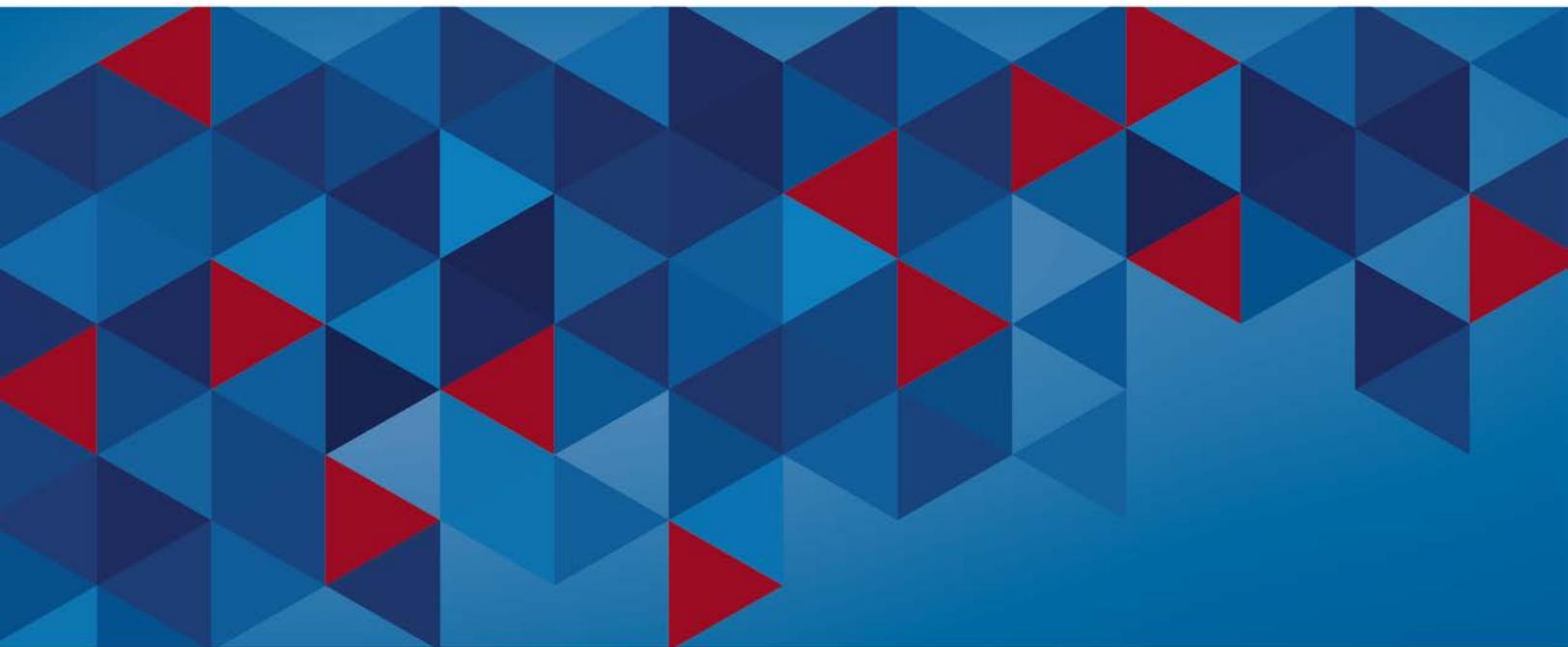


An Ecosystem for Nonprofit Leadership

Building Community and Organizational Capacity
for Inclusive Nonprofit Board Service

FALL 2020



JOHNSON CENTER
AT GRAND VALLEY STATE UNIVERSITY



GRAND VALLEY
STATE UNIVERSITY

EXECUTIVE SUMMARY

For decades, philanthropy has struggled to build workplaces, boards, and volunteer corps that reflect the communities we serve. BoardSource has demonstrated that only one-in-ten nonprofit leaders identify as people of color (BoardSource, 2017), despite the fact that practitioners of color continue to express a stronger desire to serve as nonprofit leaders (executive directors/CEOs) than their white colleagues (52% versus 36%) (Race to Lead, 2020).

This disparity has a significant impact on communities. Race to Lead again notes that, according to their 2020 Race to Lead Revisited study, while nearly 60% of organizations reported that “less than twenty-five percent of board members are people of color,” 64% of the organizations reported “more than half of the community served by their nonprofit are people of color” (Race to Lead, 2020). Minority and marginalized communities continue to be underrepresented on nonprofit boards, which means their voices routinely go unheard in the decision-making processes that can impact their lives.

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. Across the United States, nonprofits employ 12.5 million people (U.S. Bureau of Labor Statistics) – a figure that does not capture the tens of millions of additional Americans who volunteer their time with nonprofits as board members, unpaid staff, and service providers.

The unique structure of nonprofit leadership (the pairing of paid or unpaid leaders with a variety of board governance models) and organizational operation requires practitioners to master an equally specific set of skills, abilities, and knowledge to work effectively. Further, the places nonprofits hold within communities – as advocates for the people and vehicles for social good – demand that staff and volunteers develop trusting and authentic relationships with the people they aim to serve.

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). Strong governance requires diverse community representation. Despite the critical role that boards play, nonprofit organizations struggle to recruit and develop diverse boards that can positively support organizational effectiveness (Independent Sector, 2015). Many who do serve on boards are recruited from the first-degree networks of existing board members (Brennan and Forbes, 2019), which can minimize both diversity of thought and community representation. This also means that members are not primarily recruited for their skills or to fill knowledge and experience gaps evident in a board’s membership.

Experts at the Dorothy A. Johnson Center for Philanthropy (Johnson Center) at Grand Valley State University (GVSU) have been providing training in nonprofit board service in Michigan and beyond for over a decade. It has become clear that fostering diverse nonprofit boards and inclusive boardrooms is a community- and sector-wide challenge, not one that individual nonprofits can realistically address on their own. This is especially true as nonprofit leaders and volunteers tend to move around frequently throughout an ecosystem, joining different organizations to serve in new roles or in different board seats every few years.

For this reason, the Johnson Center launched the Ecosystem for Nonprofit Leadership Project in 2018, in partnership with Ferris State University and a Steering Committee of approximately two dozen regional organizations, to develop a community-based response and solution to this persistent issue. We propose an ecosystem-based model that:

1. is grounded in two complimentary and competency-based training curricula: one that will prepare a more diverse cohort of community members to serve on nonprofit boards, and a second one that prepares nonprofit leaders to recruit, cultivate, and effectively partner with a more diverse board;
2. utilizes a “train-the-trainer” approach to increase the number of practitioners able to teach and spread these practices and the overall model locally and nationwide;
3. includes mechanisms for bringing trained potential and veteran board members together with organizations that have undergone training to support inclusive boardrooms and are looking for new members;
4. engages with new and existing programs in a specific geography – such as corporate human resource programs, municipal- and higher ed-sponsored local leadership cohorts, regional grantmaker associations, and nonprofit capacity-building networks – to embed this training within their existing curricula; and
5. results in a shareable model for training and fostering person-to-organization connections that can be replicated in other communities.

This last two elements will be the key to success for the Ecosystem for Nonprofit Leadership Project. The project’s Steering Committee has conducted extensive research into past programs that have attempted to address the lack of diversity and inclusion on nonprofit boards. Each project launched with great enthusiasm and good intention, but ultimately proved unsustainable due to a lack of central and ongoing leadership.

We still intend to embrace a community-wide approach to developing and managing this project over the long-term in West Michigan (and to include that approach in the model we share with others), but we have identified a strategy to ensure broad-based responsibility for its success: by embedding the training program and connections events into programs that already have strong community buy-in and reliable sources of revenue and staffing (such as corporate onboarding processes), we can ensure the project team’s efforts become naturally woven into the fabric of life in any community.

As the local ecosystem 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 and shifting the cultural expectations for representation and leadership in the community. We also anticipate that this transition and movement throughout the sector will occur for nonprofit executives.

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. 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). By developing, testing, and refining a model for an Ecosystem for Nonprofit Leadership in West Michigan, we can then take that program nationwide. From one community to another, we can share a proven approach to addressing the persistent lack of authentic representation in all nonprofit leadership roles, ultimately advancing equity and justice in our sector and our hometowns.

The Johnson Center is seeking an initial investment of \$100,000 to complete Phase One and proceed into Phase Two. Thank you for your consideration.

Project Work Plan

The Ecosystem Project is divided into five work phases, spanning from the project's inception in 2018 through entering a maintenance phase in 2023.

Phase One: Planning Project Inception through December 2020

Since the Ecosystem Project's inception in 2018, a Steering Committee of over two dozen organizations in West Michigan (divided into targeted work teams) have joined the Johnson Center and Ferris State University in shaping the aims, methodology, and Theory of Change (see below) for this work. Today, Phase One is largely complete. Remaining work includes:

- Finalizing a detailed workplan and budget for the remainder of the project, now that our goals and work plans have taken firmer shape; and
- Fundraising to support the development and testing of the model (Phases Two and Three)

This work will be carried out in collaboration with the project's Steering Committee.

Phase Two: Curriculum Development, Identifying Partners, and Evaluation Planning October 2020 through May 2021

Phase Two includes three key areas of work:

- **Curriculum Development:** The Johnson Center will lead the development of two new, complimentary and competency-based training curricula – one for board members, and one for nonprofit leaders. This work will occur in tandem with the development of the Johnson Center's Competency Model for Nonprofit Leaders (expected publication: Spring/Summer 2021), and will draw on the input and assistance of the Ecosystem Project's Steering Committee.
- **Identifying Partners:** The Steering Committee will identify and connect with potential partners in the region (e.g. corporate human resource departments, community leadership programs) to identify testing locations to pilot the curriculum. Our ultimate goal is to ensure this program's sustainability by embedding our training within programs that already have significant community buy-in (such as leadership programs run by other nonprofits or municipalities) and/or are part of existing educational or corporate training programs.
- **Evaluation Planning:** The Steering Committee will engage team members from the Johnson Center's Community Data and Research Lab to design an evaluation plan for the Ecosystem Project and to instruct the Steering Committee on any protocols that need to be put in place. This evaluation will be grounded in the principles of the Equitable Evaluation Framework.

Phase Three: Testing of Model June 2021 through May 2022

Phase Three will include piloting and evaluating both sets of curricula, training community partners to present the curricula themselves, and securing funding for the next phase of the project. Throughout Phase Three, Johnson Center staff will gather data to evaluate the effectiveness of both the curricula and our delivery methods to ensure continuous improvement.

We have not yet determined how many test sites will be necessary to adequately understand the usefulness and efficacy of the new curricula. This will also likely depend on how many local partners express interest.

Phase 4: Roll-out of Model June 2022 through December 2022

Phase Four will include finalizing the curricula and refining models for 1) training-the-trainers, 2) embedding the training within existing programs, or 3) advising communities on starting up wholly new training programs. Once this work is complete, the Johnson Center will engage GVSU's legal department to establish copyright over all original materials in order to prepare for disseminating the model more broadly. We will then begin a nationwide roll-out of the model, including

- Publishing blogs and articles (on our own platform and with partners) that chronicle the model's purpose, uses, and development;
- conference presentations that introduce practitioners to these competency-based trainings and strategies for increasing board diversity and inclusion; and
- offering specific training opportunities to begin training-the-trainers nationwide to bring this model to their own communities.

Phase Four will also include a fundraising component to ensure the Ecosystem Project is successful and sustainable in West Michigan.

Phase 5: Maintenance of Model January 2023 through December 2023

Embedded in the ecosystem project is the recognition that a community must be intentional in connecting people trained to serve on boards with organizations that are ready to receive them. As we increase access to training, we will rely on our Steering Committee partners to help develop and launch connection events to bring together newly trained individuals with nonprofits that are looking for new board members and have themselves gone through the nonprofit leader training curriculum. These steps and activities will be documented for inclusion in the final model.

We will also continue activities to promote and support the model nationwide, monitoring its progress by documenting its uptake in different communities and evaluating the success of connection events (e.g. the number of events, overall participation, extent of sponsorships).

About the Dorothy A. Johnson Center for Philanthropy

The Dorothy A. Johnson Center for Philanthropy at Grand Valley State University was established in 1992 with support from the W.K. Kellogg Foundation. Our mission is to be a global leader in helping individuals and organizations understand, strengthen, and advance philanthropy, resulting in a smart, adaptive sector that helps create strong, inclusive communities.

We put research to work with and for professionals across the country and the world. Through professional education offerings; research, evaluation, and consulting services; and bold thinking to advance the field, we support a philanthropic ecosystem defined by effective philanthropy, strong nonprofits, and informed community change.

References

BoardSource. (2017). *Leading with Intent: 2017 National Index of Nonprofit Board Practices*. Retrieved from <https://leadingwithintent.org/wp-content/uploads/2017/11/LWI-2017.pdf>

Independent Sector. (2015). *Threads: Insights from the charitable community*. Washington, DC: Author. Retrieved from <https://independentsector.org/resource/threads/>

Meehan III, W. F., & Jonker, K. S. (2018). *Engine of Impact: Essentials of Strategic Leadership in the Nonprofit Sector* (p. 167). Stanford, CA: Stanford University Press.

Race to Lead. (2020). *Race to Lead Revisited: Obstacles and Opportunities in Addressing the Nonprofit Racial Leadership Gap*. Retrieved from <https://racetolead.org/race-to-lead-revisited/>

LOGIC MODEL

An Ecosystem for Nonprofit Leadership

1

Inputs

- › Community-based steering committee
- › Diverse community members
- › Various community partners & nonprofit boards
- › Proven practices & research
- › Curriculum & core competencies

2

Learning Activities

- › Diverse community members receive training for board service
- › Nonprofit organizations receive training on creating equitable & inclusive spaces & organizational cultures
- › Community members & nonprofits are connected
- › Follow-up support & training provided

3

Outputs

- › Diverse community members are connected with community organizations
- › Community members are equipped with skills & empowered to engage with community organizations
- › Nonprofit organizations operate with a greater understanding of creating equitable & inclusive spaces

4

Near-Term Changes

- › Board training is integrated into community leadership development programs
- › Organizational development around diversity & inclusion is accepted as common practice
- › Opportunities exist for trained community members to connect with trained organizations for board service

5

Long-Term Changes

- › Increased capacity of organizations to fulfill their mission
- › Organizational policies & practices are more equitable & inclusive
- › Board service is accessible to a large, diverse population
- › Boards reflect the communities served by their organizations
- › Model is replicated & adopted in other communities across the nation