Developing a Strong and Diverse Nonprofit Board

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This publication aims to provide strategic direction to nonprofit leaders who want to develop their board of directors. A board of directors governs a nonprofit organization; it is responsible for setting the nonprofit’s direction, hiring and evaluating the CEO, and providing leadership in all areas of the organization. The quality of governance depends on the quality and diversity of the board members. Thus, effective boards prioritize member recruitment, selection, and retention. This publication focuses on how to develop and maintain a high-quality board roster. It defines and describes board diversity, then explains how to recruit and maintain a diverse board.

Board Diversity

A strong board of directors includes members from a variety of backgrounds, including different professional skills, personalities, and demographics. Nonprofit chief executive officers report that board diversity is very valuable. It helps an organization to navigate a changing environment, connect with the nonprofit’s target populations, advance creative solutions to new problems, and plan more effectively (BoardSource, 2017). In contrast, a homogeneous (non-diverse) board creates “blind spots.” For instance, a homogeneous board may not be connected to the needs of the community, understand the human resource landscape, or be aware of legal and financial risks.

The first step is to identify the board’s current and ideal compositions. Nonprofit organizations should consider multiple factors, including skill sets, leadership qualities, resources, community connections, personality style, age, race, gender, ethnicity, marital status, sexual orientation, religion, abilities and disabilities, and anything else that differentiates board members from one another (Lewis, 2021; Meier, 2019). Board leaders can use a matrix to identify the current skills, personalities, and demographics on their board (Meier, 2019). Board leaders can then use that same matrix to identify their ideal composition, which may change over the years. For example, it may be important to recruit a board member who understands real estate prior to purchasing a new building. As another example, it may be important to evaluate the gender and sexual orientation diversity on the board prior to expanding programs intended for LGBTQ+ participants.

The size of a nonprofit board also affects the scope of the diversity of its members. In Florida, nonprofits must have at least three board members (The Florida Legislature, 2021). Three board members may be appropriate for a fledgling nonprofit. However, as the nonprofit grows in size and complexity, the board will likely need to recruit a larger and more diverse group of members to ensure it has the most effective combination of skill sets.

Recruiting a Diverse Board

Board recruitment is the process of identifying and engaging individuals to become board members. The steps to recruiting a strong board are: 1) identifying the nonprofit’s...
ideal board composition; 2) recruiting candidates (actively and passively); 3) evaluating candidates; 4) electing new board members; and 5) orienting and supporting members (see Table 1) (BoardSource, 2021).

Identifying the ideal board and finding candidates must be done thoughtfully. The board matrix tool mentioned above can help an organization envision their ideal board. The problem often comes when the board moves too quickly to find candidates. Typically, board members recruit via their networks. They should be more thoughtful in their search for candidates. For example, if a board has completed the matrix and realized they need to recruit more members with specific skills as well as members of color, then current board members might go to where prospective members might be (e.g., a meeting of human resource professionals or accountants, professional women’s associations, Black or Hispanic Chambers of Commerce). With this information about the ideal board composition, the board may recruit selectively to identify the best candidate.

Unfortunately, such a strategic approach does not occur as often as we might hope. Chief executives report high dissatisfaction with their board’s diversity levels; however, only 25% report taking action to prioritize demographic changes in recruitment (BoardSource, 2017). To recruit a robust and diverse board, leaders should develop multiple pathways for potential candidates to find the organization. Matching programs and board postings are two tools that support this goal.

Matching programs are networking events organized by third parties (such as a community foundation) that give chief executives and current board members the chance to meet and talk with highly qualified board candidates (Bailey et al., 2017). Matching programs help match candidates with open board positions. An interested nonprofit fills out an application with its location and mission, and lists personal characteristics the organization seeks. Organizations are then matched with interested board candidates (Center for Nonprofit Advancement, 2020). In addition to widening the pool of candidates, matching programs also minimize personal bias by enlisting a third party to help match, recruit, and place candidates. BoardSource offers a map that allows nonprofits to search for matching programs in their region, along with services including candidate searches and available job postings (BoardSource, 2021). Nonprofit leaders can also post board openings on Bridg-espad, BoardnetUSA, and LinkedIn, or with local resources such as a community foundation or United Way. The goal is to expand the number of places where a potential board member might learn about the organization. Nonprofits can also advertise in culturally specific publications and partner with ethnocultural organizations to make individuals aware of available positions and to help identify qualified candidates (Walker & Davidson, 2009).

Nonprofit organizations must have set methods in place for evaluating candidates, nominating and electing board members, and orienting and training new members. In addition to evaluating skills and characteristics, the organization should assess passion. Passion for the organization’s mission is the top reason a person joins a board (Walker & Davidson, 2009). An ideal candidate will value the mission and possess the knowledge, skills, experience, connections, and perspectives needed by the board. The nomination and election process should be transparent and follow the steps in the organization’s bylaws. Once elected, board members should participate in an orientation that explains their role as a board member, their legal duties, and the mission and current status of the organization (finances, staffing, etc.). Senior leaders and other board members should provide ongoing support and direction to promote the efficacy and success of new board members.

**Maintaining a Diverse Board**

Despite an overall increase in diversity recruitment efforts, many boards are failing to maintain a diverse board because they are not changing organizational culture to be more inclusive. Some nonprofit boards hold an out-of-awareness deficit, meaning that they do not have a comprehensive view of diversity (Rutledge, 2013). For instance, 22% of Black women report feeling uncomfortable sharing their thoughts on racial inequity in their nonprofit workplaces, and 22% feel they cannot talk about the impact current events have on them or people in their communities (Mackenzie & Abad, 2021; Le, 2019). A candidate from an underrepresented group may be seen as a “diversity hire” and appreciated only for their differences, rather than for the characteristics, skills, and passion they bring to the board (Mackenzie & Abad, 2021; Rutledge, 2013). Currently, 26% of all current board members feel uncomfortable voicing their opinions and report that they do not have the same opportunities for leadership as other members (Walker & Davidson, 2009).

Nonprofits must go beyond tokenism to include all board members and empower them to share their perspectives (Bradshaw & Fredette, 2012). Without this commitment, a lack of inclusivity does not get better over time (Walker & Davidson, 2009). Building an inclusive board culture, leveraging committees to build bench strength, and
investing resources in board diversity will help a nonprofit board establish and maintain board diversity.

Inclusive Board Culture
Once a diverse board is assembled, the board must create a strong culture that promotes inclusion of a diversity of stakeholders while keeping the nonprofit focused on its mission (BoardSource, 2017; Ashikali et al., 2020). A strong board culture involves “creating and sustaining a culture of learning, engagement, and self-assessment that values the input of all members” (Meier, 2019). Attitudes such as perfectionism and defensiveness, and beliefs that value quantity over quality or suggest there is only one “right way” to do something can prevent the development of an inclusive board culture (Okun, n.d.). Board leaders should create a culture of appreciation in which the nonprofit recognizes each member’s work and efforts. Boards must discuss and set a realistic plan and goals to develop an inclusive culture (Okun, n.d.). For example, nonprofits should consider the needs of board members when scheduling meetings. Meetings should be convenient for individuals with caregiving responsibilities, in locations that are accessible to people with disabilities as well as those using public transportation. When serving food, take into consideration the board’s dietary restrictions as well as cultural and personal preferences (Walker & Davidson, 2009).

Leveraging Committees
Board committees are key to inclusion efforts because they create a structure for engagement (BoardSource, 2017). Typically, committees are headed by a member of the board and are “staffed” by non-board members. Committees can serve as a training ground for future board members and promote diversity as well as leadership potential. Committees also allow new or potential board members to learn about the nonprofit and the responsibilities of board governance, setting them up for success once they officially join the board.

Investing in Board Diversity
In order to foster diversity, nonprofits must help board members and employees process their thoughts and organizational norms regarding diversity and conflict management (Inegbedion et al., 2020; Levin, 2021). Therefore, nonprofits need to develop, implement, and maintain ongoing training and capacity building for board members. A one-day training is not enough to change behavior or maintain an inclusive environment—there must be an ongoing, long-term commitment (Farnsworth et al., 2020). The board could hire an expert to review diversity efforts and make recommendations for improvement. Boards can devote additional time and fiscal resources towards recruitment efforts. Funding for board diversity should be prioritized, because a lack of monetary support for leadership development and inclusion efforts fosters racism, inequity, fragility, and unconscious bias (Le, 2019).

Conclusion
Board diversity directly affects a nonprofit’s effectiveness. Diversity encompasses skill sets, leadership qualities, resources, community connections, personality style, age, race, gender, ethnicity, marital status, sexual orientation, religion, abilities and disabilities, and anything else that differentiates board members from one another (Lewis, 2021; Meier, 2019). It is especially important for organizations to be thoughtful about identifying the ideal board composition using a board matrix framework, as board recruitment should be a systematic and targeted process. In addition to analyzing current board composition via a matrix framework, nonprofits can improve diversity with strategies including targeted recruitment, thoughtful onboarding, and conscious building of a board culture that promotes stakeholder diversity.

References


Table 1. Steps to recruit a diverse board.

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<tr>
<th>Recruitment Steps</th>
<th>Tools and Techniques to Build a Diverse Board</th>
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<tr>
<td>Identify an ideal board composition.</td>
<td>Create a board matrix reflecting governance needs and representativeness of current or intended stakeholders.</td>
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<td>Recruit candidates (actively and passively).</td>
<td>Visit groups and events that eligible candidates may frequent (e.g., professional associations, community centers, religious organizations, local government meetings). Create board postings for the position and use matching programs.</td>
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<td>Evaluate candidates.</td>
<td>Designate a committee dedicated to building a diverse board. Identify how a candidate fills current board needs.</td>
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<td>Elect new members.</td>
<td>Board bylaws must be transparent. They must establish an open election process.</td>
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<td>Orient and support new members.</td>
<td>Bylaws regarding the training of new members must be followed. Members must have access to documents regarding organizational policies and practices. Members should also be oriented on their roles within the board.</td>
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Adapted from BoardSource (2021).