

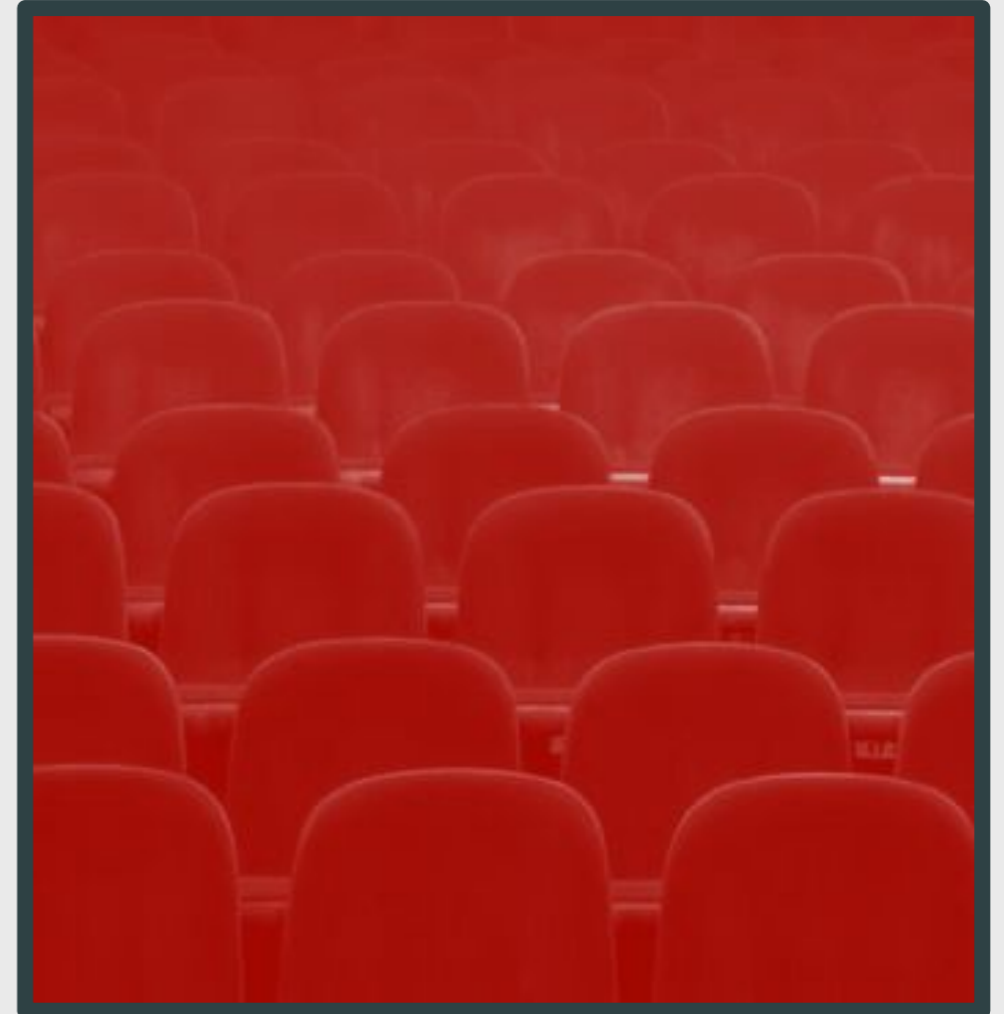
Purpose-Driven Board Leadership

Dani Robbins | Director of Governance Strategy

Questions

To whom is a nonprofit organization accountable?

Is that different from whom it serves?

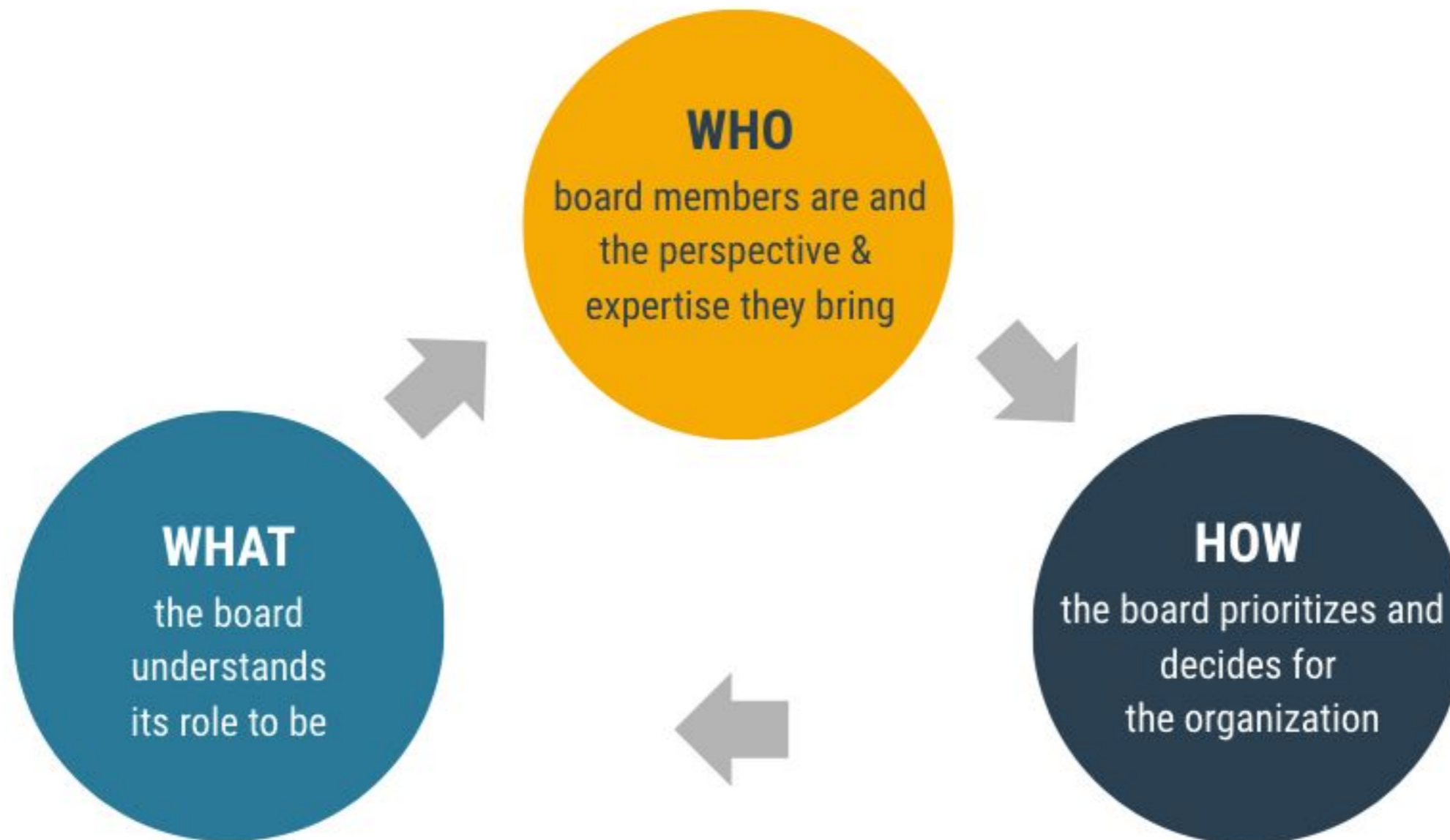


One More Question

**Which “profile”
of board members
do you see most often
on the nonprofit boards
you know well?**

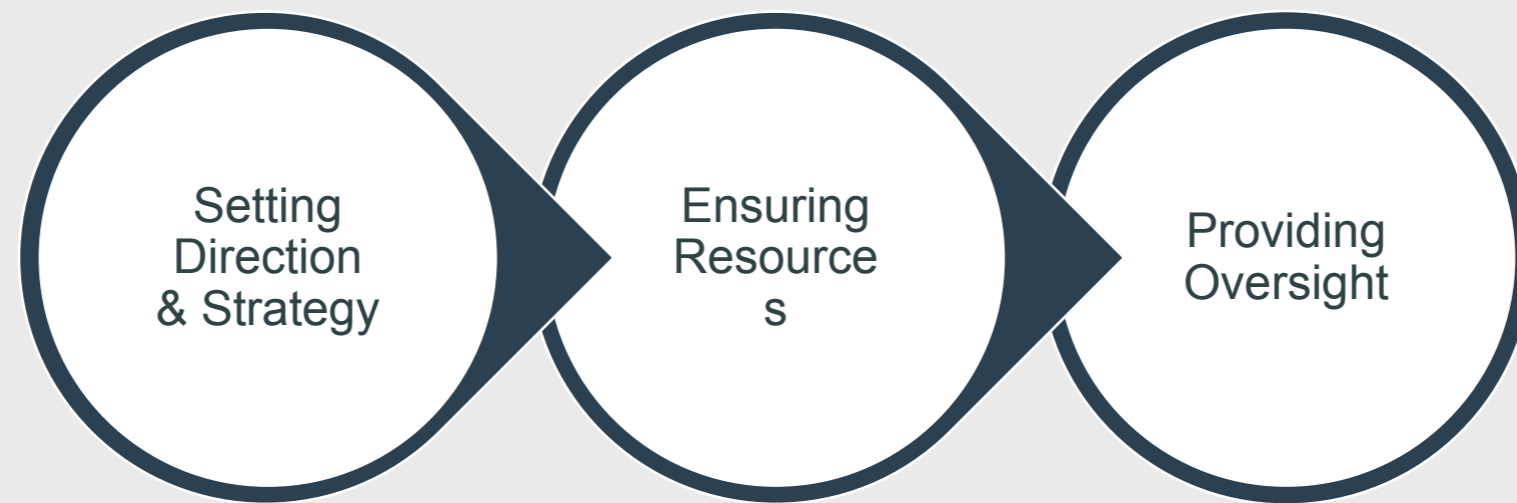


Role Understanding is Fundamental

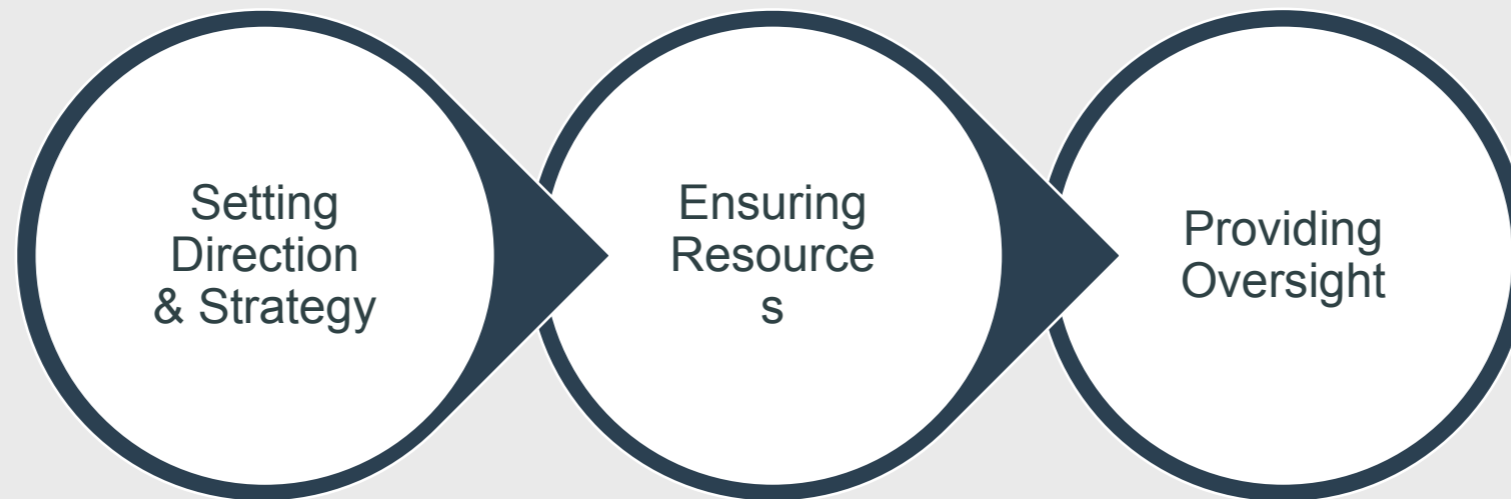


BoardSource®

The Board's Essential Roles

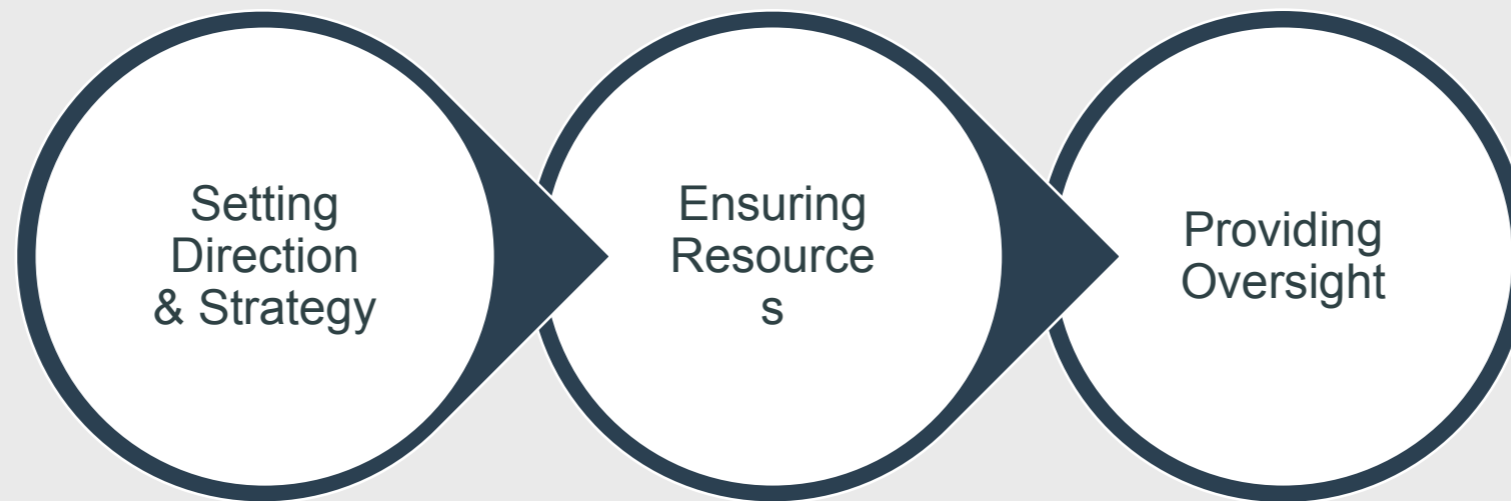


The Board's Essential Roles



- Commitment to mission and purpose
- Understanding of priority areas of work and communities served
- Cultivated ability to do sensemaking and strategic thinking as a collective

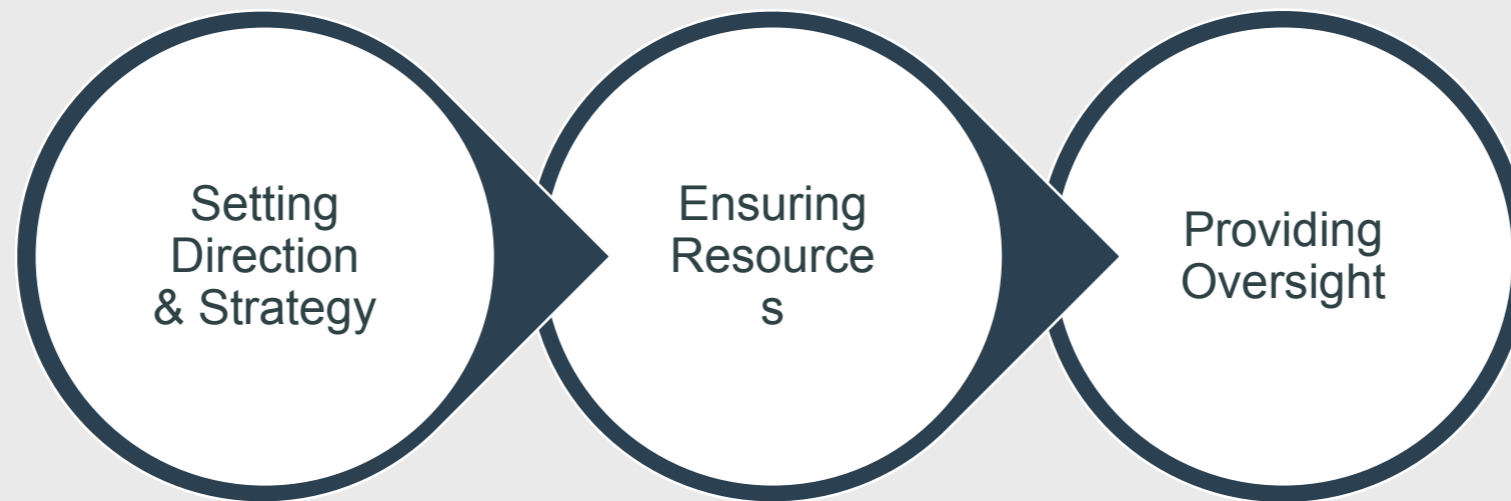
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- Understanding of financial strategy and business model
- Ability to bring resources and connections to the organization through networks

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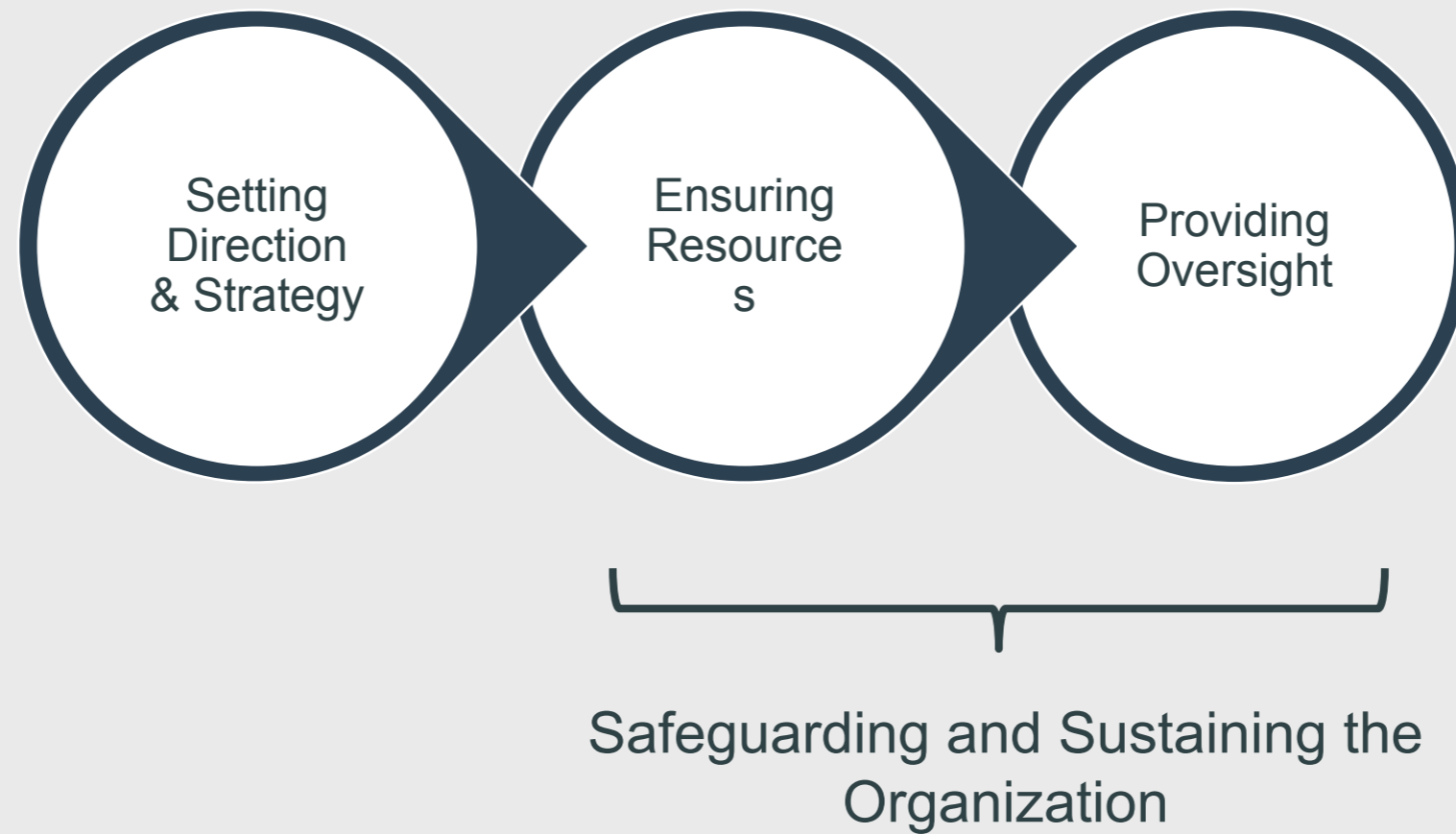


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- Commitment to fulfilling Duties of Care, Loyalty, and Obedience
- Technical skills in financial and legal oversight
- Ability to pay attention to information and processes, but from a distance and without control of enactment or implementation

The Board's Essential Roles



The Board's Essential Roles



Leveraging the Organization for Impact

10 Basic Responsibilities of Nonprofit Boards

1. Determine mission and purposes, and advocate for them.
2. Select the chief executive.
3. Support and evaluate the chief executive.
4. Ensure effective planning.
5. Monitor and strengthen programs and services.
6. Ensure adequate financial resources.
7. Protect assets and provide financial oversight.
8. Build and sustain a competent board.
9. Ensure legal and ethical integrity.
10. Enhance the organization's public standing.

The State of Boards Today

Disconnected from communities/people they serve

- 43.5% of chief executives say they don't have the right board members to establish trust in the communities they serve
- 33% of boards place a high priority on "knowledge of community served"
- 29% prioritize "membership within the community we serve"

Ill-informed about the ecosystems in which they operate

- 28% of boards prioritize "knowledge of the organization's work/field" in board recruitment

Lacking in racial and ethnic diversity

- 63.4% of board members are white; 10%* of boards are entirely white

No longer preoccupied with fundraising above all else

- The most exciting change in our new 2024 LWI data shows that setting strategy is now a higher priority than fundraising, for the first time.

An Opportunity for Reinvention



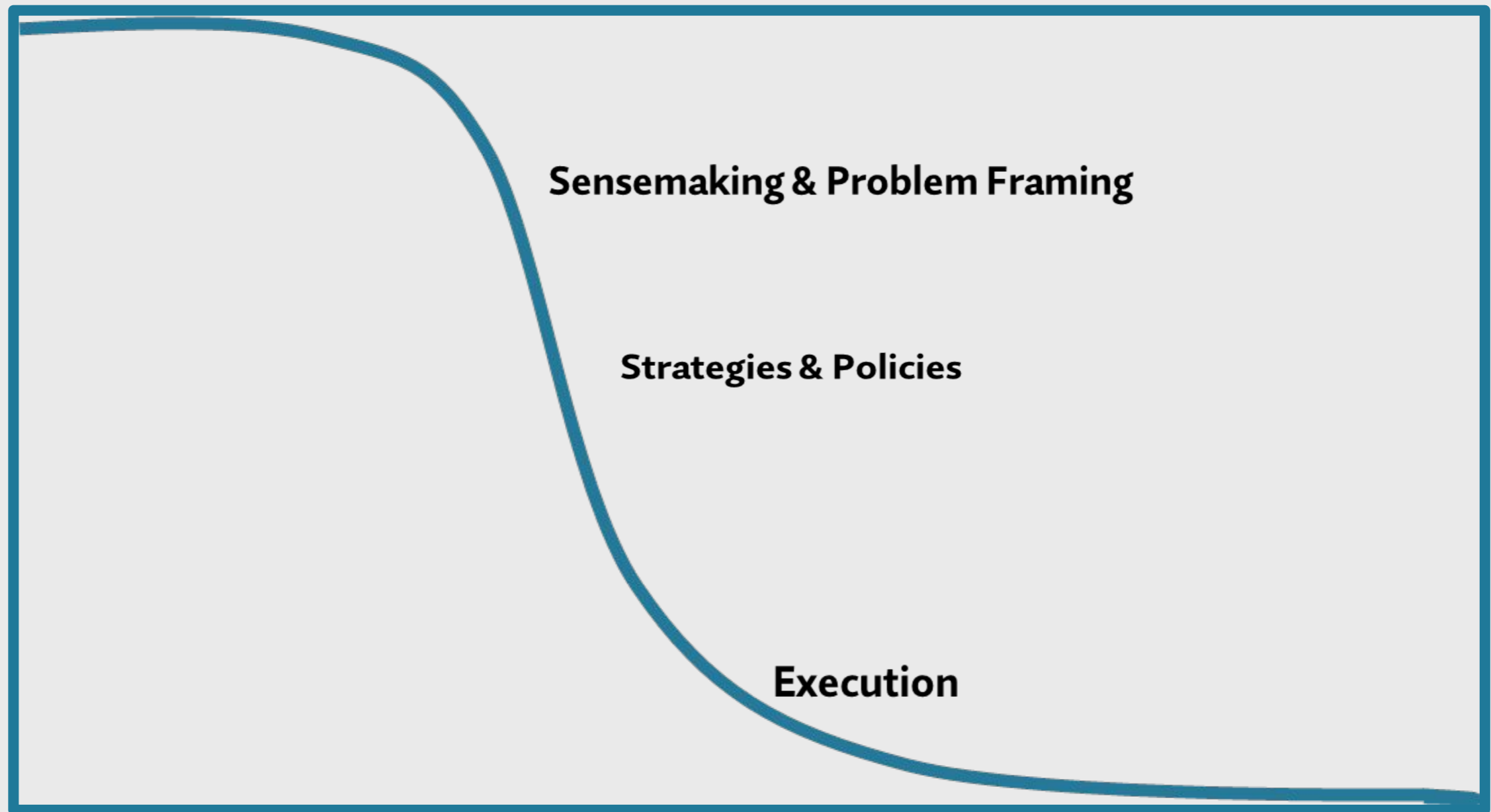
Three Modes of Governance:

The Governance as Leadership Framework



The Generative Curve:

The Power of Early-Stage Sensemaking




The Power of A Different Angle




A New Framework for The Board's Role:

Purpose-Driven Board Leadership


Focuses the board on organizational purpose, versus organization itself



Centers the board's role in strategy and direction-setting



Identifies principles and mindsets that are integral to embodying that strategic role



Envisions a new way of being for boards – role, orientation, and composition

What is Your Organization's Purpose?

- What problem are we trying to solve or what new reality are we trying to create?
- Why were we founded and why do we exist today?
- What is “the why” for your organization's work?



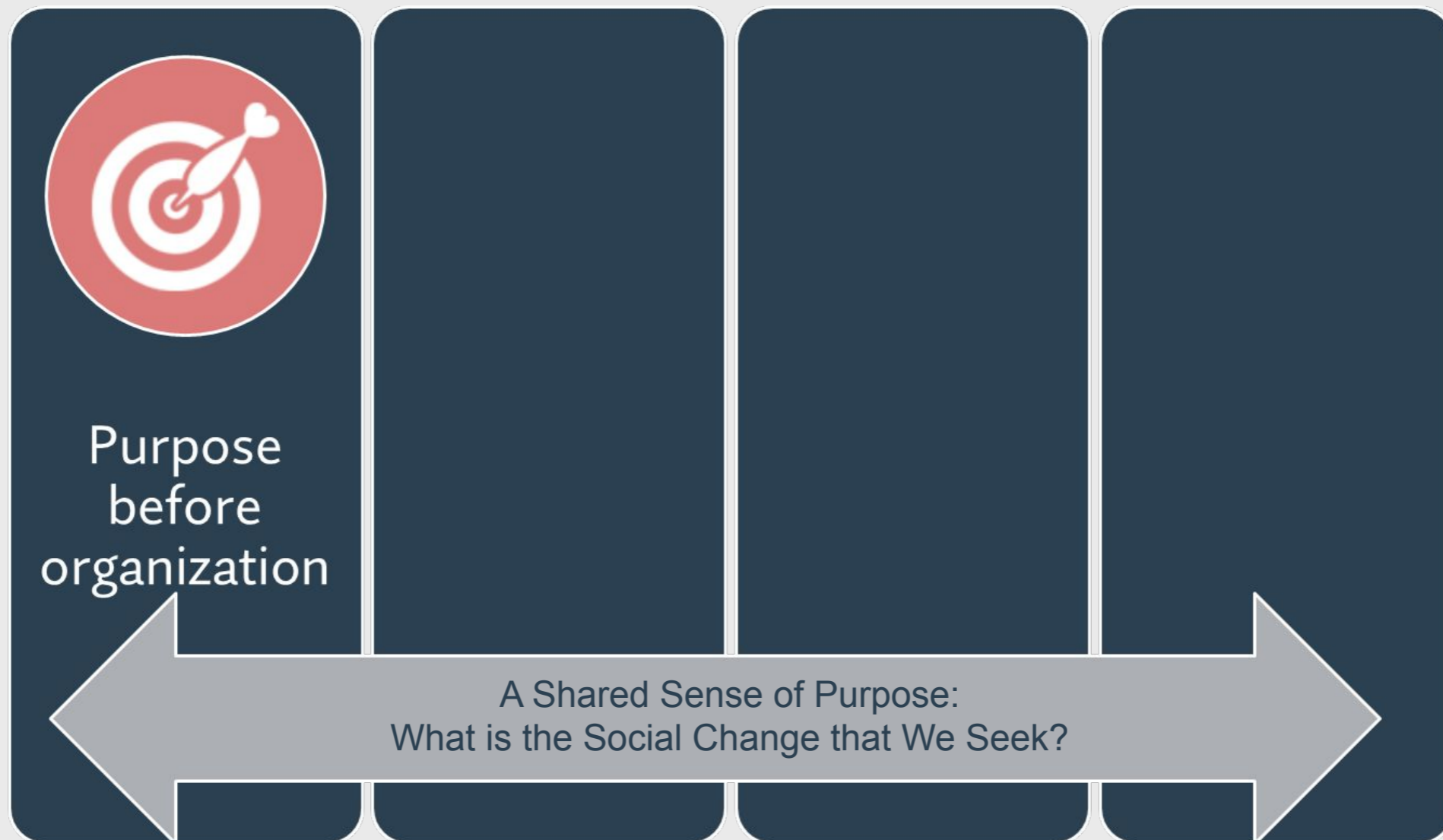
Framing or Re-Framing Decision-Making

- Purpose-Driven Board Leadership is a shift in thinking and orientation toward the board's role, less a structure or set of technical practices than a way of being and thinking.
- It is radical in its simplicity...Leaning into purpose-driven board leadership can begin without initial collective action from the board and does not require immediate radical shifts in board composition or leadership.

How?

- In times of change, it's natural to want to rush into action. However, embracing a powerful pause can lead your organization to better outcomes.
- The Purpose-Driven Board Leadership (PDBL) framework and how it can help you and your board navigate tough decisions by staying true to your organization's mission and collective purpose.
- PDBL offers four principles to guide critical decisions that align with your organization's purpose and contribute to the collective impact of the sector.
- This allows your board to lead with purpose, stay grounded, and make a lasting difference.

The Four Principles of Purpose-Driven Board Leadership



Principle #1: Purpose before Organization

Definition: Prioritizing the organization's purpose, versus the organization itself.

Moves the organization away from viewing itself as the “center of its own gravity;” focuses the organization on its collective purpose and how it can best steward its resources in service to that purpose

“Purpose before Organization” scenario: A SANE (Sexual Assault Nurse Examiner) Federally funded hospital program, teamed up with like programs across their region to create a single message and an organizing plan to meet with foundation officers, local and state elected leaders and the media to ensure all were aware of the impact of the loss of funding on the region and ask for help.

Principle #1: Purpose before Organization

What's best for our organization?

What's best for the desired social outcome we seek?

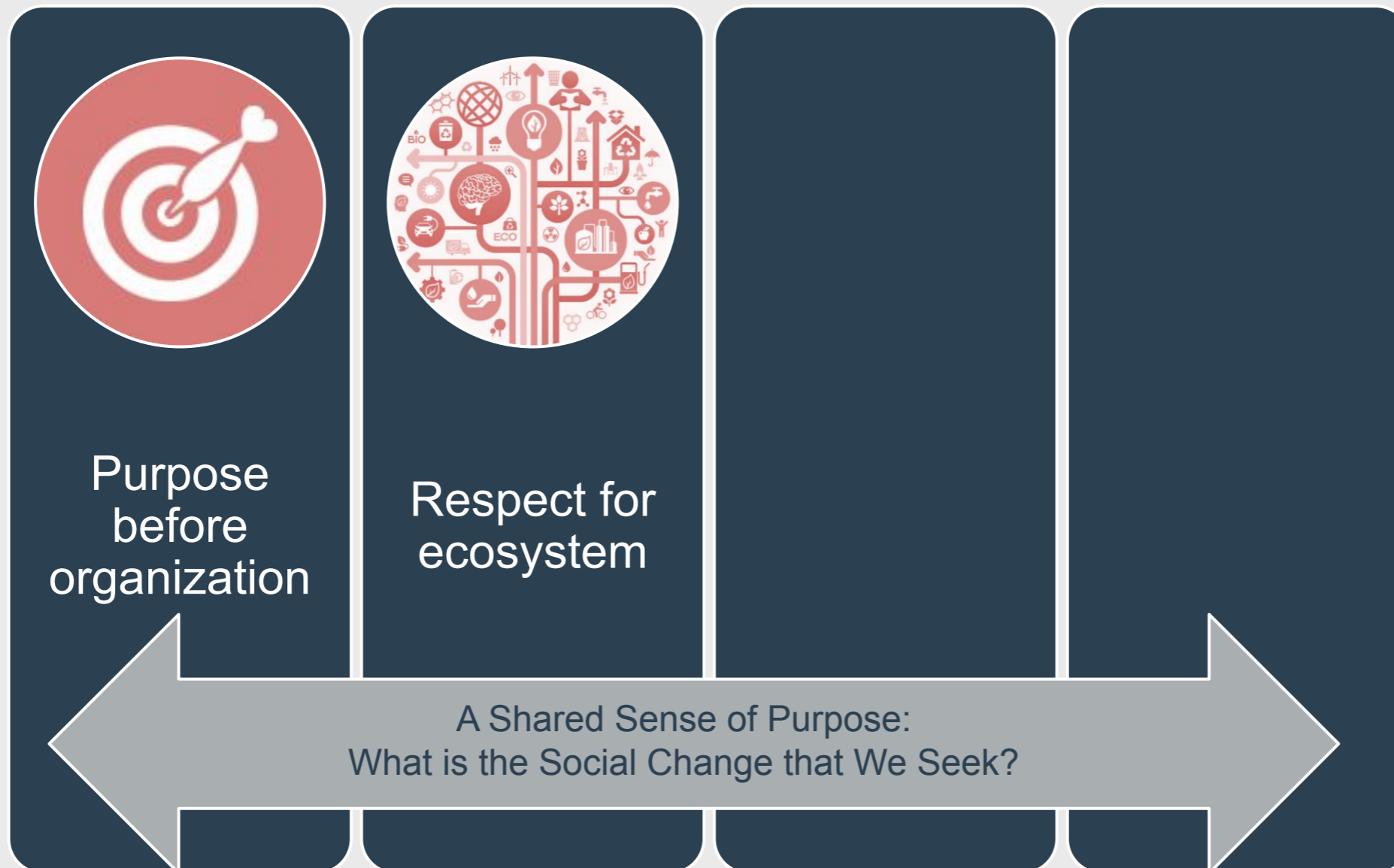
Purpose Before Organization

Questions that invite us to pause

As an example, if our collective purpose is that “rural communities are healthy communities” and we are considering shutting down a clinic in one community, how can we explore all the potential impacts of that closure and what other alternatives are possible?

- What data do we have to inform our understanding of this situation?
- How will this decision impact our collective purpose?

The Four Principles of Purpose-Driven Board Leadership



Principle #2: Respect for

Definition: Acknowledgement that the organization's actions can positively or negatively impact its surrounding ecosystem, and a commitment to being a respectful and responsible ecosystem player.

Requires boards to:

Have knowledge and perspective of the organization's role as part of a collection of organizations working to address societal challenges and impacts.

Consider the impact of their actions on the ecosystem as part of decision-making processes.

“Respect for Ecosystem” scenario: A large addiction organization partnered with smaller rural programs to raise money collectively. They also teamed up to train board members and create a mentorship program so board members can work across organizations to advance the ecosystem's collective purpose.

Principle #2: Respect for Ecosystem

How would this impact our organization?

How would this impact all of the players and dynamics within our ecosystem? Will it help us – as an ecosystem – do the most good?

Respect for the Ecosystem

Questions that invite us to pause

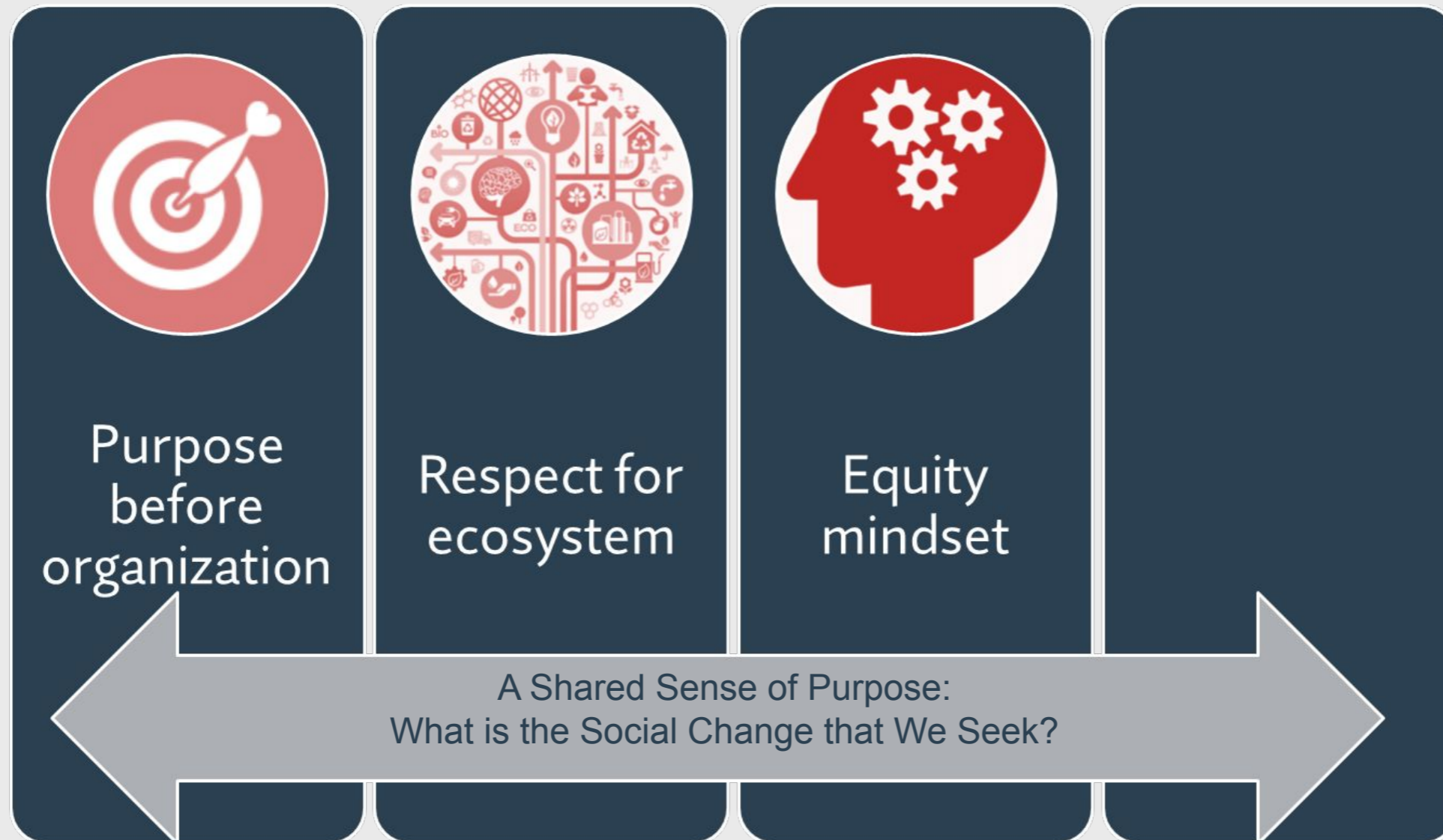
As an example, if our collective purpose is that “rural communities are healthy communities” and we are considering shutting down a clinic in one community, how can we explore all the potential impacts of that closure and what other alternatives are possible?

- What is our goal? What is our level of exposure? What is our risk tolerance?
 - Risk tolerance may include lawsuits, community or donor displeasure, or may be specific to your community or field.
- How would this impact all of the players and dynamics within our ecosystem? Will it help us—as an ecosystem—do the most good?

Reflection in Groups: How would that reframing change the work of your board?



The Four Principles of Purpose-Driven Board Leadership



Principle #3: Equity Mindset

Definition: A commitment to advancing equitable outcomes, and interrogating and avoiding the ways in which the organization's strategies and work may reinforce systemic inequities.

Capture disparate impacts on various demographics, including:

An equitable allocation of organizational resources

Programmatic oversight that can capture disparate impacts based on race and other demographics

Diverse and inclusive board composition

“Equity Mindset” scenario: A community health outreach organization reimburses staff for work travel; it sometimes takes 30 to 60 days. Some of the staff brought this situation to the attention of the chief executive and noted that they did not always have the funds to cover this delay. The chief executive brought this adverse equity impact to the board's attention. Together, they decided to interrogate all policies to make sure that they weren't negatively impactful. The old policy had a 60-day deadline, which they changed to a two-week reimbursement.

Principle #3: Equity Mindset

How will our strategy advance our mission?

How could our strategy reinforce systemic inequities, and what are we willing to do to avoid it?

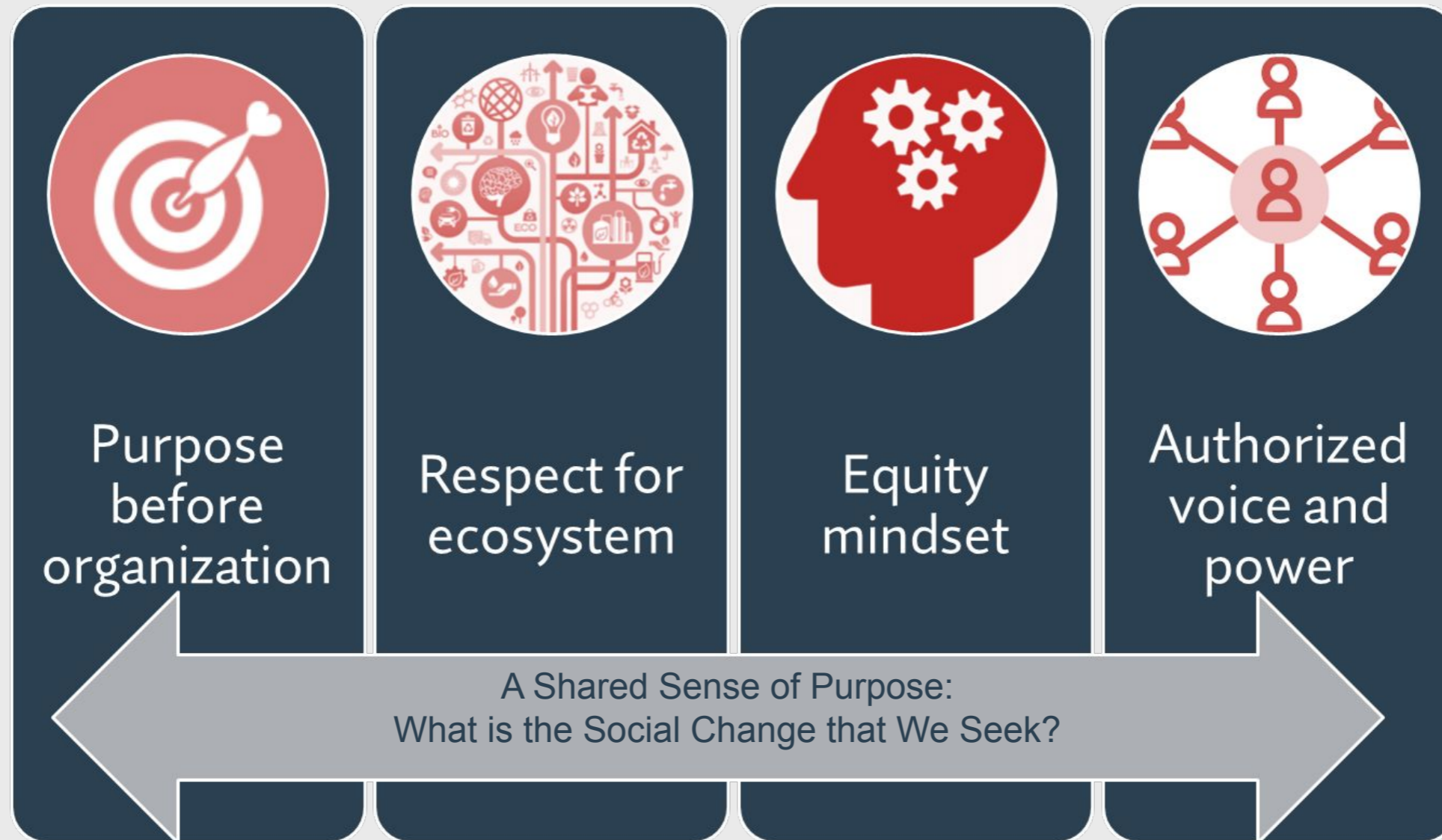
Equity Mindset

Questions that invite us to pause

As an example, if our collective purpose is that “rural communities are healthy communities” and we are considering shutting down a clinic in one community, how can we explore all the potential impacts of that closure and what other alternatives are possible?

- How will this decision or strategy create more equitable outcomes?
 - Are there ways that it would reinforce systemic inequities, and—if so—what are we willing to do to avoid that?
- How do we demonstrate equity?

The Four Principles of Purpose-Driven Board Leadership



Principle #4: Authorized Voice & Power

Definition: A recognition that organizational power and voice must be authorized by those most impacted by the organization's work.

Organizational decisions should be made within the context of real understanding of community assets, needs, preferences, and aspirations.

Requirement to listen to community needs and experiences – and to share power by inviting those individuals with relevant lived experiences onto the board

“Authorized Voice and Power” scenario: : A Federally Qualified Health Center had been meeting the legal requirement of the patients on the board by having a percentage of current board members become patients rather than as intended. They hired a new chief executive who insisted they recruit board members from current patients, resulting in the board being more reflective of the population they serve, the larger community and ensuring the board deliberation included input from those with lived experience.

Principle #4: Authorized Voice & Power

What do we* think is best?

*without intentional reflection on how who “we” are informs our perspective

Are we as a board populated in a way that ensures our power is held by the community impacted by the org’s work? Are we doing all we can to understand what our programmatic stakeholders tell us is most important?

Authorized Voice & Power

Questions that invite us to pause

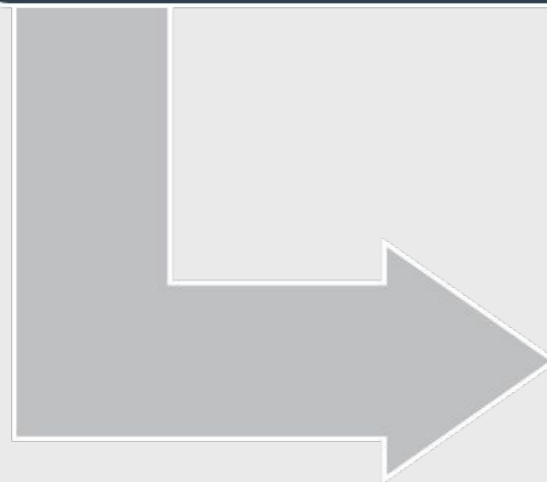
As an example, if our collective purpose is that “rural communities are healthy communities” and we are considering shutting down a clinic in one community, how can we explore all the potential impacts of that closure and what other alternatives are possible?

- Is our board populated in a way that ensures that our power is authorized by and inclusive of the community impacted by the work that we do? Are we doing all we can to listen to what our programmatic stakeholders tell us is most important?
- How will the decisions we make today be received by those we seek to partner with and serve?

A New Orientation to Board Service

Traditional Framing of Board's Role

Boards operate in service to an organization that seeks to advance the public good. The board is primarily responsible for sustaining and supporting the organization and its ability to exist in service to its mission.



Purpose-Driven Board Leadership

Boards operate in service to the public good. The board is primarily responsible for stewarding organizational capacities in a way that maximizes positive impact in service to that core purpose or cause.

The Synergy of PDBL and Essential Board Roles

- Boards can adopt these principles as lenses through which they view their traditional roles.
- Aligning these frameworks promotes strategic governance that is mission-centered, collaborative, equitable, and transparent.

Reflecting on Your Board

What aspects of the board's role drive your board's recruitment strategy?

What aspect of the board's role drive your board meeting agendas?

If you were to define the board's role based on who your board is and where it spends its time, what would that definition look like?

What does that bring up for you in terms of insights and reflections?



Small Group Conversations

- What resonated with you?
- Where do you have questions, concerns, or pushback?
- What aspects of Purpose-Driven Board Leadership do you think would feel more or less natural to your board?



A Shared Sense of Purpose

Reframing for Purpose- reframe it

What have we accomplished?

How do we grow our budget?

Who are our competitors?

How do we get more program participants?

What skills and expertise do we need on the board?

Should we expand our programs into a new area?

Where do we want to be in five years?

A vertical stack of seven dark blue rectangular boxes, each corresponding to a question on the left. Each box is connected to its question by a white curly bracket on the left side.

Reframing for Purpose- reframe it

What have we accomplished?

▪ What did we make possible as a result of our commitment to purpose and partnership with others?

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- How well do we understand our community's needs, and what evidence do we have of that? If we were to disaggregate programmatic evaluations or feedback loops by race or other demographics, what would they reveal?

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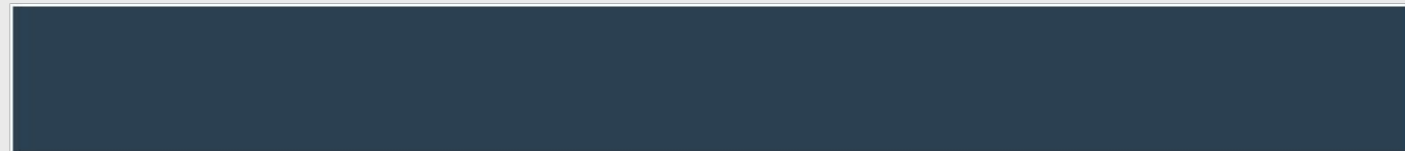
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Should we expand our programs into a new area?

- Are we the best organization to do this? How do we know? Are there organizations that are doing good work in this area that we will disrupt?

Where do we want to be in five years?



Reframing for Purpose- reframe it

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Where do we want to be in five years?

- Where do we want our community or cause to be in five years? What will it take from ourselves and others to get there?



Rethinking Board Recruitment

Reframing Board Recruitment

Needed from All

- Commitment to mission, purpose, and the people and communities served by the organization
- Reputational capital that cultivates trust amongst community stakeholders
- Willingness to dedicate time and energy to fulfill responsibilities and commitments
- Relational skills to operate effectively in the collective

Reframing Board Recruitment

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Needed from Most

- Grounded insights and perspectives about the work the organization does and the people and communities it serves
- Deep understanding of the organization's programmatic and business model
- Understanding of the ecosystems in which the organization is operating
- Ability to connect the organization with individuals, organizations, and communities of influence (policymakers, programmatic partners, community-based leaders, and donors)

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Needed from Some

- Ability to provide specialized expertise in areas of relevance to legal, financial, and employment oversight
- Ability to connect the organization with big donors/funders

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If our board composition is a reflection of whose trust we consider to be most important, which stakeholders are we prioritizing – *and who are we leaving out?*

-Jim Taylor, BoardSource

Some questions to consider:

- Does your board have the perspectives, expertise, connections, and access needed to operate in a purpose-driven manner across all three modes of governance?
- Does your board understand its purpose and role in relationship to management?
- Does your board structure their time together to allow for purpose-driven, meaningful engagement in important work?
- Does your board's culture encourage thoughtful, purpose-driven deliberation that is inclusive of all?

Individual Reflection & Planning

- What aspects of Purpose-Driven Board Leadership will feel natural to your board?
- What aspects of Purpose-Driven Board Leadership might the board resist?
- What are you committed to trying first?



Thank you for your time and your leadership!



Do you have any final questions?

When you try it, please report back:

- Phone: 202-349-2500
- Dani.Robbins@boardsource.org

Resources :

- www.boardsource.org