

A
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report
prepared
by The
Harwood Group

Squaring Realities

GOVERNING BOARDS AND COMMUNITY-BUILDING

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The Harwood Institute for Public Innovation is a catalyst for charting a different course for America's public life and politics. It works to deepen the understanding, sensibilities and practices of individuals, communities, and institutions on how the public realm works and how to make progress in it. The Harwood Institute's recent work includes groundbreaking work in Reconnecting Schools and Communities, Civic Engagement Initiatives, and Improving Political Conduct. Previous reports include *Citizens and Politics: A View from Main Street America*, *America's Struggle Within*, *The Nation's Looking Glass*, and *Meaningful Chaos: How People Form Relationships with Public Concerns*.

This report was completed by The Harwood Group, which preceded The Harwood Institute for Public Innovation.

The Kettering Foundation

The Kettering Foundation is an operating foundation that conducts research on democratic political practices and develops frameworks for citizens to use in acting on public problems. The objective of the foundation's research is to learn how democracy can work better. The foundation welcomes partnerships with other institutions and individuals who are working on political concerns. Established in 1927 by inventor Charles F. Kettering, the foundation is a 501(c)(3) organization and does not make grants.

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Foreword

When the Kettering Foundation began talking to The Harwood Group about doing this study, our primary motivation was curiosity about the relationship between boards of directors and the public. Although the study covers four very different types of boards, the decision to span public schools, local pass-through organizations such as the United Way, community foundations, and nonprofit civic organizations was based on the presumption that they all had public ties. Ironically, this presumption did not hold up. Indeed, the common thread that runs through the interviews with 75 board presidents was the weakness of such ties.

A major finding of this important study is that board responses to the challenges of public credibility may actually worsen the situation. Despite the growing desire to work within their communities, and to tap into what at least some of them understand to be the richness of civic life, boards face increased competition for resources and pressures from both donors and an apparently unengaged public to prove that they are having an impact.

While few would question the need for fiduciary responsibility and the demonstration of impact, the response to these pressures appears to be a board mind-set that defines communities as fragmented constituencies, that seems fixated on funding, and that relies more on increasing professionalization than improved public engagement.

What is intriguing about this study is that these findings seem to cut across such different types of boards. What does a school board, for example, have in common with the board of a community foundation or the board of an arts council? Do the board members of a nonprofit hospital really think (or not think) about the public in the same way as the board members of a community development organization in a low-income neighborhood? Perhaps what we are really trying to understand here are some of the common assumptions of American political culture that seem to infuse our political and public lives.

These often unstated assumptions seem to underlie most academic studies of boards of directors. The literature on nonprofit boards reveals that many scholars of nonprofit trusteeship do not address the questions raised by The Harwood Group. Indeed, the primary focus of the literature, perhaps not surprisingly, is on mission, board-staff relationships, board motivations, and board politics and processes, rather than the relationship of boards to the public.

Studies that do focus on boards and publics are often based on either the idea of the Burkean “best interest” of the public or the “Rousseauvean” representational role. Some scholars, for example, focus on board members’ lack of awareness of their role as guardians of the public good as well as their elite character. Another group of

scholars concentrates on the representational role of nonprofit boards through discussions of the impact of diversity or elitism, although Whitt and Moore (1996) take a step toward the Harwood findings by dealing with the community networks of board members. What the Harwood study does, through extensive field research, is to uncover a third possible role that would tie boards to the larger public.

Perhaps more relevant than studies about boards and publics is the literature on board accountability. Although many scholars concentrate on conflicting pressures from organizational missions, donors and constituencies, with a particular focus on financial accountability, others tend to confirm the importance of the findings of The Harwood Group. If trusteeship is, in the words of one scholar (Smith, 1995) an “expression of democracy against professional dominance and an important guarantor of pluralism in a democratic society,” then the tendency of board members to ignore public accountability and not think of themselves as performing a civic act is troubling. Another worrisome trend is the growing “reliance of board members on staff even though they [the board members] should be closer to the community.”¹ One scholar even gets beyond constituencies in his observation that democratic responsiveness depends not only on diversity, but also on “the ability of citizens to shape the board’s priorities.”²

The abilities of citizens to shape even wider public priorities are central to the research of the Kettering Foundation. Yet even though the vast majority of members of all kinds of boards are ordinary and not so ordinary citizens, this study suggests that something happens to them when they assume these roles. Or, put another way, something such as awareness of the need to expand the art of the possible is not usually part of either their past experience, or their reflection on that experience that they might otherwise bring to the conference table.

Julie Fisher
Program Officer

¹ On the first pattern see Woods, 1996. On the second, see Milofsky and Morrison, 1996.

² See Mitchell, 1997.

In Search of Credibility

Across America there is a deepening and ripening struggle over the nature of institutions and leaders that affect our lives. You can hear it on talk shows, at the dinner table, in people's sighs at the newsstand. They are wondering aloud — often with a streak of disgust and dismay — about whether journalists or public officials or Congress care about us, know about our lives, and produce actions that hold any real meaning and significance.

Some institutions and leaders say that to respond to this struggle, they need more instant polls and marketing focus groups to test and respond to the momentary winds of concerns; bigger, flashier, sexier initiatives to demonstrate their commitment; more public relations campaigns — for. . . only if . . . people knew what they are up to, they would like them more.

But is that it? In this new report, *Squaring Realities*, prepared by The Harwood Group for the Kettering Foundation, civic and public board presidents tell us that much more is at work than can be addressed by yet another quickie survey or “public relations” effort: their own credibility and accountability within society. And what we have discovered is that their response to this challenge may actually worsen it.

For many board presidents, this discussion is about the vitality and health, perhaps for some even the survival, of their cherished organizations.

Conflicting Realities

Squaring Realities reveals that board presidents and their organizations face two realities that often seem to conflict. The choice may not be to pick one or the other, but to find ways to integrate them.

The first is a growing desire to work within each of their communities — to capture its full voice, to tap into its many layers and perspectives, rather than simply its squeaky wheels or its elites, and to genuinely reflect this deeper, newfound knowledge in their daily and long-term work. Indeed, board presidents generally hold powerful aspirations to generate a much stronger connection with their community, to produce a greater impact, to be a bigger force for positive change. They say that the challenges of our times call for such action.

Yet another reality is at work too, and it is the dominant one. Board presidents report that this reality is about shrinking resources and heightened competition for what is left, a growing trend that requires hard data to prove an organization's worthiness, and an apathetic public that, despite their own complaints about society, remain uninvolved, unengaged, inattentive.

Board presidents tell us that to square these conflicting realities

they must seek to cultivate and strengthen their public credibility and accountability. Only then, they argue, will they receive the kinds of resources and support and trust they need to make a difference in their communities. But in which reality, or with what kind of balance between these realities, do they choose to go?

A Public Mind-Set

The Harwood Group talked with 75 board presidents from across America, distributed fairly evenly among school boards, local pass-through organizations, community foundations, and civic organizations (see Appendix for the definition of these groups). We asked them about how they see their role within their organization and community. We listened for their aspirations, and the challenges they face. And we probed for how they think about and approach putting these different pieces together.

Many board presidents suggest, in somewhat vague ways, that they need to do “something” different, but the path to them is not always, at best, in full view; and at worst it is not one that can be traveled. The situation seems to be in the arena of the felt unknown. So the response is to go with what you know, which is often based on how we have been taught to view society and how professionals should relate to it.

This approach is not unique. The Harwood Group sees this situation daily in its work with institutions and leaders across the country, without regard to the size or scope of their responsibilities. What *Squaring Realities* reveals is a frame of reference that guides the work of board presidents. It is a public mind-set about public work.

In this instance, the mind-set is one of fragmentation, professionalism, numbers, and procedures.

- **Community as constituents.** While board presidents seek to nurture and build a stronger connection to their community, indeed to improve its life and future as a whole, they treat the community as a collection of distinct and fragmented constituencies — such as donors, recipient agencies, taxpayers.
- **Resources.** Board presidents and their organizations seem fixated on resources — the need to get more of them, use them more efficiently, and demonstrate fiduciary responsibility. The result is that everything, especially programs and their focus, seems to be driven by resources and the interests of those who hold the purse strings, such as funders, donors, highly vocal taxpayers.
- **Organizational traits.** Board presidents say that the key to meeting their current challenges is to enhance the demographic mix and professional skills of their boards, to develop a stronger professional staff, and to put into place more inter-

nal procedures. Through these actions they hope to know the community better and work better.

- **Proof.** Board presidents share a strong desire to prove they are making a difference in the lives of people in their community. Their approach: a growing reliance on producing measurements, evaluations, hard numbers to demonstrate that good things are happening. Through this work, they seek to secure necessary resources and to affirm their organization's role in the community.

No doubt, some of the actions that board presidents and their organizations are taking can be useful, if not necessary. But as board presidents pursue this chosen path, the question is to what extent this path is actually taking them farther and farther away from the very community they yearn to live and operate within — thereby undermining the very public credibility and accountability they seek. Can this approach alone lead them to where they need to go?

Organization of the Report

This report is divided into five sections. The first section provides a snapshot of the daily grind of each of the four types of organizations that we interviewed. This is to show the context in which these groups work and how they respond to the challenges they face as they search for a greater sense of accountability and credibility.

The second section looks at how board presidents define the context in which they work. Here they make an important distinction between “the public” and “the community.” Their views have important implications for how they see their work.

Section three explores the fact that board presidents say they want to do more in their communities. At the same time, they observe a series of common challenges that stand in their way.

The fourth section outlines how board presidents and their organizations seem to be approaching their need to build greater public accountability and credibility. Four key factors emerge from our interviews with the board presidents.

The final section of this report poses a series of fundamental questions for board presidents, boards, and their organizations to consider in their own search for credibility.

A description of the methodology used in this study is found in the Appendix. This is followed by a list of references.

Section I: The Daily Grind

Perhaps the best place to start this story is by peeking through a small crack in the door to see into the daily lives and challenges of the four kinds of organizations that took part in this study.

As you will find throughout this entire report, the board presidents, their fellow board members, and their organizations come to their work with great commitment and passion. And, as they do, they are searching for ways to strengthen their accountability and credibility within their communities.

This report is about that search, and this section provides a glimpse into how each of these kinds of organizations approach that search in the daily grind of their work.

Public Schools

The report card from school board presidents is that they work in a constant state of siege, battling daily with a public that has little confidence in them. One describes their position as sitting at “the crossroads and cross-fires of American life.” Many assert that folks “had been burned” by other, unresponsive public agencies, and now lash out at school boards; and that negative images of public schools (violence in classrooms, decaying buildings) and damaging legacies of past school boards (financial corruption, racial imbalance, and political infighting) fuel this lack of credibility and accountability.

School board presidents say they must strengthen their accountability and credibility. In turn, they find themselves searching to be more “responsive” to the community; but they seem frustrated in how to do it without being overwhelmed. They want to get the full story from the community, not just that of a vocal minority.

Indeed they consistently lament their inability to get the community to “see the need to invest in the larger whole” and to understand the range of pressures and constraints on schools’ ability to raise and allocate funds. As one school board president observed, “We tell them the money is finite, [that] we cannot increase our taxes any higher . . . and that’s constantly going to be a challenge.”

The result: These board presidents draw a picture of a divide and conquer strategy to control the constant barrage from the public. They fragment the community into two main constituencies — the “known” (teachers, parents, students) and “unknown” (young adults without children, retirees, business people with no apparent connections to schools). They assume each group holds markedly different concerns.

Further, despite their professed goal, oftentimes school board presidents feel they must limit people’s input and their relationship with the community. For some, now wary of contentious public meetings, they rely on one-on-one meetings with people to gather

information. Other boards have turned to committees and meetings that are highly structured and procedure driven.

And in many situations, the search for accountability and credibility leads them to “marketing campaigns” and “public relations efforts” to reach out to the community — for instance, to sell a school budget or how to use school buildings for a community meeting. The goal: to show the community how the schools are relevant to their lives.

As one school board president said, and he spoke for many, “Most of the problems we deal with are political . . . seldom do we talk about education.” Indeed, school board presidents seem to measure much of their daily success to build credibility and accountability by the results they see at the polls on school board elections and tax levies.

Community Foundations

In an era of declining government funding and corporate giving, and an impending transfer of wealth to a new generation, many community foundations see their role as encouraging would-be philanthropists to make investments closer to home. Their foundations are a “savings account for the community,” a “trust for all time”; they see themselves poised to make a substantial impact within their community by strengthening the nonprofit sector through community philanthropy.

A key to such change is for board members to lend their professional expertise to their organizations in areas such as business, law, and public relations. As one board president told us, “The community sees the board in its work, its professionalism.”

These skills, board presidents say, shore up their accountability and credibility as good financial stewards and carry over into how an organization goes about its daily business. Professionalizing their institutions makes them a more attractive investment, one that is run efficiently. Asserted one board president, “Bring rigor and discipline to the process.”

While the board presidents talk about their desire to improve the life of the whole community, they state clearly that they serve two distinct constituencies. The first is the donors who provide funds to their foundations; the second is the nonprofit organizations that receive funds from them.

Gaining credibility with both constituencies centers around money. They see the donor as a client to whom they provide a service, the “investment opportunity,” by creating, for instance, “estate planning options” and “donor services committees.” And they often see the foundation acting as a resource to the nonprofit community, as a convenor and community resource. They feel they have the clout necessary — the resources — that will prod organizations to work in certain ways and to come together.

Meanwhile, most community foundation board presidents told us

they rely almost entirely on their professional staff and grantees to know about the community. They see these folks as “the experts” because “they are on the ground.”

And we heard about a growing trend toward evaluation — the tracking and measuring of a foundation’s progress toward having an impact in predetermined ways. Wary of relying on too many anecdotal reports, many foundations are creating formal processes to evaluate their grant recipients. The goal: to produce hard data that will document change.

Local Pass-Through Funders

One board president told us, “We are community progress in action.” Local pass-through funders — groups, agencies, or clubs that raise and distribute money locally — largely see themselves as part of the fabric of their community, focusing on health issues, people with disabilities, “empowering” local nonprofits that strive to address civic concerns. One board president put it this way: “Our aim is to democratize philanthropy, take it out of the hands of the wealthy few and let all people share in deciding who gets to share [the money].”

These board presidents define the community as a collection of primarily three constituencies — donors, nonprofits, and those who do not give, but might. Here is how one board president summed it up: “The community is the donors who we are pledged to serve, and the nonprofits who we have promised to serve.”

Meanwhile, throughout our conversations, most board presidents reported they are “frustrated with the level of participation in the community,” and are looking for ways to involve more people in giving.

When asked how they know about the community — the concerns, needs, and dreams — and how they find out about it, they respond, “We live here, we know it!” Indeed many board members tell us they have little contact with the larger community outside of fundraising events, and rely mostly on reports from the nonprofit community. Some board presidents speak of the unease they have with such an approach, characterizing it as a kind of “noblesse oblige.” At the same time, however, they argue that it is the most efficient and expert strategy to take.

These organizations tend to view accountability and credibility through the lens of being “good stewards.” Their boards tend to have people who are seen as enjoying prestige and professional status in the eyes of the community and who have access to corporations and other major sources of funding. Many board presidents contend that this type of board increases community giving and a sense of accountability. As one board president said, “If the community can see the organization as trustworthy, more resources can be won.”

Measuring the success of their work also is important, and is based largely on quantifying certain kinds of indicators: how many dol-

lars come in, how many people participate in programs, how many programs are funded. Although we heard over and over again, “We want to make a big impact in the community,” much greater attention seems paid to measuring past activities than seeing what is currently being learned or where projects led to more questions, or notions of how to do things in different ways in the future.

Civic Organizations

Civic organization board presidents tell us that they and their groups feel the pressure of the daily crunch of fast-paced changes in society. They stand at the point of contact where people, and the issues that affect their daily lives, literally come together.

The challenges these groups face, and the implications for accountability and credibility, are many. These board presidents express a great deal of frustration because, they say, their organizations have set out to try new things, take risks, and make changes in their communities that often elude others, but then end up falling into the same old traps that others have found.

These organizations are struggling to create ways to better define their constituencies, garner more resources, have a greater impact. As one board president told us, “We are out here every day saving people from themselves, but unless you have been helped by us you don’t know us. The public does not realize what we do, and we need them to!”

They are constantly seeking how to get more “regular folks” involved, or at the very least, aware of their efforts. This is an uphill challenge for them, as many see the community as “apathetic” or “resistant to getting involved.”

And they are always walking a tightrope in terms of what they do, always fearing that the very community they serve will turn on them. For instance, if a board pursues a measure, seen by the community as too extreme or outrageous, the board presidents tell us they risk losing credibility and alienating their very community. Or if the board recommends actions that are too timid, it risks being thought of as ineffectual or is overtaken by other events or those competing for the same small pot of dollars. How to find the right balance is tough work, they say.

One answer to these challenges, according to our board presidents, is to build a board that reflects the makeup of the community, in which board members bring with them certain professional skills and a passion for the work itself. But often, those who may serve on the boards, we were told, may not be those who truly know and understand the nature of the challenges at hand and those who truly are affected by them.

Another answer is to rely more and more on the professional staff of their organizations. “We have a great staff and they are great about keeping in touch with all the groups we work with. We have a

chain of information that reaches our board step-by-step.” Indeed, many board presidents told us that “there is no separation between the organization and the community at large — we are the community.”

Yet a third path is to streamline and professionalize the organization, hoping that such measures will meet the challenges before the civic group. Here the goal is to add more procedures and standards, new levels of organization and a hierarchy.

For many board presidents, the challenges they face are real and imposing.

Section II: A Matter of Community

A good interview often takes on a life of its own. People spin out various threads of thought that seem to get woven together at the most unexpected times. They make their own discoveries as they talk more and more, putting together stories and events and ideas that they never really had the chance to articulate before. So too, do people use certain words and phrases to capture a particular context or meaning.

In listening to the language that board presidents used in our conversations, we discovered a significant difference in the meaning of two words that offer a window into how they see the world around them.

Board presidents consistently would talk about the “public” and “community” when describing the work of their organizations. One could hear them say that they need to “. . . get the public on board . . .” or that they want to be “. . . working with the community.” We asked them to take a step back and tell us how they might define each term in the context of their work.

They said that they tend to see the public as “official,” “faceless,” inanimate, “a mass of individuals” — a group that a pollster might work with — while they see the community as something that is more whole, embodying the richness of public life, with a human face.

Most of those we interviewed define their work in terms of community, and see themselves and their organizations as deeply rooted within their communities. It is the community to which they see themselves accountable, and from which their credibility arises and grows.

The Public Out There

The board presidents said that they do not connect a specific set of concerns to the public or see shared interests among the individuals who make up the public. Most do not talk about a need to understand or tap into the public at large, reserving that effort for “the community.”

- The public is official. Board presidents think of the public as something that is official and abstract. They use language like “the populace” and “the taxpayers,” or talk of the public as elected officials or government institutions. One board president put it this way: “The public is what you read in the newspapers or see on TV. It is who gets elected or runs the government.”
- The public knows no boundaries. Many board presidents described the public as something more expansive than existing administrative, geographic, or political boundaries of a city

or a political district. In a number of instances, adjacent “communities” were part of the board presidents’ concept of “the public.”

- The public is amorphous. The public is large and indistinct. “Everyone out there,” was one description we heard. For most, the public is mass, made up of a range of individuals.

Our Community Right Here

The contrast is quite sharp between how board presidents talk about the public and how they see their community. The difference is striking in terms of the sense of emotion, place, connection, depth that exists and, importantly, how they view the world in which their work is carried out.

A community, they say, has roots, a history, a sense of place known to people. Virtually everyone we interviewed spoke with great depth and passion about their community, often citing a personal connection to it. They use phrases like the “feeling of community” and “the pulse of the community.” It is something that is living, alive, with a past and a future.

Board presidents told us that as one sees a community, it is crucial to acknowledge and hear and understand the diversity of perspectives that make up a community. The board presidents do not believe that a single, monolithic community exists, but that there are potentially many communities within an area. They say that a community’s perspectives must be tapped and understood in order for a community to work. It is within the mix of perspectives that many board presidents said their work must be done.

The board presidents were equally quick to point out that a community is made up of more than just people, it often has a richness of civic life (even if it might be relatively weak at any given point in time) that includes an entire array of institutions and spaces such as churches, nonprofit groups, newspapers, neighborhoods, businesses, public spaces, and others. Each of these, they say, is a part of the community.

What is more, the board presidents spoke about the geographic boundaries of their community and what that can mean for holding “shared experiences” such as living in the same town and going to certain community events; and having “shared values” such as valuing a community’s history and perhaps holding a common sense of purpose. As one board president put it, our community “is all the citizens of this geographical area.” (Whether and how this might extend to regional issues is a topic to be explored more fully.)

It is within this larger and deeper sense of community that board presidents say their organizations operate; indeed that they and their organization’s home is, to them, being part of the community. But, one must ask, how does this notion of community compare to their daily grind and how they actually work in their community?

Section III: The Chosen Path

As many board presidents see it, the way to strengthen their accountability and credibility is to actively pursue four key pathways: to greater professionalize their organization; to make their boards more diverse in terms of demographic representation and professional skills; to demonstrate greater fiduciary responsibility; and to make their programs appear more relevant to funders.

This may seem at odds with what board presidents seem to say in the previous section of this report. And, of course, as you will read, not all board presidents see the path to creating greater accountability and credibility in this way. But most seem to. Either way, most, if not virtually all, are struggling with just what is the best path to take. For them, this means:

Factor #1: Professionalization

The vast majority, if not almost all, board presidents believe that professionalizing their boards, the staff, and organizational procedures is of vital importance to cultivating greater public accountability and credibility. This belief was widespread and deep.

- More professional skills on board. One board president told us: “Professionalization is something that makes our board successful.” Others commented that the public tends to respect and trust career professionals, especially the “heavy hitters,” because of the need “to bring rigor and discipline to the process” of working in the community. Those interviewed for this study speak with pride about the range of professional skills they and other board members bring to the table. Many of these community leaders credit their professional acumen in accounting, law, and business as the reason they are now the presidents of their boards.
- More leaders with access. The ability to open doors to potential donors or other resources for their organizations is a pivotal factor for who gets on boards, the board presidents told us. While some board presidents say they are trying to broaden the range of people who sit on their boards. These might include social work professionals, less traditional community leaders, and “regular folks” (stay-at-home mothers, blue-collar workers, or recipients of services), they question how much these kinds of people will be able to contribute to the overall work of the board. They do not believe that such folks could provide the access they need to potential donors, thereby increasing the burden on the remaining board members.
- More procedures. Another aspect of increasing public accountability and credibility is to further professionalize procedures — for instance, in how to administer, monitor, evaluate, and report on an organization’s activities. Through these

procedures, the organization will be “better run” and thus instilled with greater confidence. The board members stress that such procedures also will lead to a greater efficiency in the use of resources, which they say is a factor in building credibility in the eyes of the public.

- More professional ways of knowing the community. Board presidents repeatedly say in this work that they rely largely on professional staff, recipients of funds and grants, and organizational procedures to learn about the needs of the community, prioritize those needs, and demonstrate that their organizations are being responsive. For some groups this means:
 - holding formal public meetings for a short, designated period of time each year;
 - requiring a formal submission and review process for grants and petitions by board members;
 - hiring the right kinds of staff who are assumed to know the community; and
 - as one board president put it, “knowing the community comes through the petition of recipient organizations. It is this community that gets smart and knows how and where the money is given, thereby indicating its needs.”

All of this professionalization does raise questions. As one board president wondered aloud, “You think you’re doing all the right things” by relying more and more on professional mechanisms. But, he said, “You don’t know what is going on, on the outside. Sometimes you need to hear those things so you know how to respond or so that you can respond.”

Factor #2: Diversity

A prevailing belief exists among board presidents that ensuring diversity on their boards is another critical factor in creating greater credibility and accountability within their community. Just as with professionalizing their organization, there is a sense that diversity is one of the public’s litmus tests for the credibility of a board and an organization.

Board presidents talk about diversity mostly in this way: they want to attract people to their boards who help provide a good demographic representation of the community (race, gender, age, religion, sexual orientation, etc.) and a good skill mix for the board (such as accounting or public relations).

Meanwhile, as part of their notion of diversity, a handful of board presidents raised the importance of also having people who can articulate a wide range of perspectives and ideas from within the community. They argued that simply having a demographically diverse group of people around the table, or those with diverse sets of skills, will not ensure this.

As one board president put it, “Being valid in the community, [going into] and really hearing what they are saying, is important.” Another board member articulated his struggle with diversity in this way: “Our

mission is to reach out to the entire community . . . our objectives are to have [demographic] diversity on the board, but not just diversity for the sake of diversity.”

One board president summed up this perspective when he told us, “We were a ‘blue-ribbon’ board.” He then continued, “We changed because the public was not responding to the organization. Now we have more young people, grassroots representation, clergy — and we are getting a better response from the community.” Another told us: “We felt it important to seek diversity in our board, in our committee activities so that we would be seen as relevant and making a difference.”

So while an organization might benefit from a balance in skills or demographic indicators, can these alone produce a sense of public accountability and credibility? The board presidents seeking to move beyond this way of thinking seem to be asking, To whom are we accountable? Toward what end? When might seeking diversity appear to be contrived, perhaps even undermining an organization’s credibility?

Factor #3: Money

As we listened to these community leaders across America, we heard a nearly universal concern about shrinking resources and greater competition for them. This reality has led many board presidents and their organizations to think about money in two particular ways: Who are our constituents and to whom are we accountable? But these approaches might be at odds with how board presidents define the need to look at, and operate within, the entire community.

- Fragment community into select constituent groups. While board presidents told us that they want to seek and work within a broad view of the entire community, the reality is that they are increasingly fragmenting the community into constituent groups. For instance, as already mentioned, community foundations define their constituents as donors and recipient agencies; local pass-through funders define their community as anyone with the potential to give as little as \$10 or who might use their funds for programs; school boards define their constituents as the “known” and “unknown.”
- Focus on fiduciary accountability. Board presidents tell us that they and their organizations tend to focus their energy on proving their credibility as a trusted steward of funds and resources. Limited time and energy are spent on validating that trust through evaluations and reporting mechanisms that sometimes become the engine for programs, rather than a review of them and a learning process. Their hope of focusing on programs and their impact — which is one of their major aspirations — often gets overshadowed and at times pushed aside.

Factor #4: Programs

Board presidents report they spend a good deal of time trying to ensure that their programs meet the needs of the community, but what they practice often tells a different story.

Programs are driven by a sense of relevance, but to whom? Board presidents say that it ought to be to the community, but it turns out to be to the professionals who sit on their board and staffs; procedures of evaluation that seek to meet the demands of donors, rather than at times the actual needs of the community; constituent groups that focus an organization's actions.

Also, boards do not want to position themselves to be in head-to-head competition with other organizations in their community. Their desire to maintain good working relationships with other organizations, and still develop a distinctive niche for their own organization, is a difficult balance to achieve. One board president told us: "Not everyone sees the same needs, but people do see the same resources to address those needs."

When programs and their relevance are as closely tied to money as we heard, boards tell us a number of tensions are created. The result, board presidents observed, is the following:

- Grab a program niche. They say their organizations must bore into whatever niche they can grab in order to secure funds; as we were told, their niche may in fact run counter to what is actually needed in the community, as well as the mission of any particular organization. The goal becomes survival; and for programs to survive they need resources and support.
- Make programs relevant to funders. The more closely boards link their constituencies to the ability to get resources and support, the more influence potential funders can have on the organization. Some board presidents accept this as a given. As one person told us, his board's "focus on outcomes is an attempt to make the programs more accountable and make the donor feel like he's more part of the process — that his money went to a certain thing and he can really see what it did."

But this trend often seems troublesome to some board presidents in our study. They complain that an unfair share of attention is going to vocal constituent groups that place demands on them and their organizations. They express a deep desire to break away from these same voices who tend to control financial resources, speak out at public meetings, and exert an undue amount of influence on the programs and activities of their organizations.

Moreover, at least these board presidents say that the link between money and constituencies is creating a cycle in which programs are developed, implemented, and evaluated to meet the demands of the donors or certain taxpayers or those in power, rather than to meet the actual needs of the community. As one person said, too much control by a funder "leads to platitudes and condescension as opposed to effective interaction and intervention."

Section IV: Yearning to Do More

Throughout our conversations with board presidents, they would share with us their aspirations for their communities and their organizations. At times these aspirations came through loud and clear, while at other times they would surface as quiet asides, embedded in the recounting of their daily grind.

Amid these aspirations, board presidents told us that they feel squeezed by a changing landscape — one filled with opportunities along with baffling and bewildering obstacles. They see a landscape full of eroding public support, declining contributions, increasing competition, public apathy, and less time to take it all on.

Feeling Squeezed

When board members look around, they see a tough landscape which, they assert and often lament, makes it difficult for them to pursue their aspirations. They say that it restricts and inhibits them from fulfilling these aspirations. Here are the key factors they see in play:

Sharp competition for resources. They talk about the growing number of organizations working on the same concerns as their own organization, and looking to the same places for those resources. With this rise in competition, boards and their organizations are devoting increasing amounts of time and effort to raising funds and wrestling over how to reallocate existing funds.

Greater burden to prove worthiness. They argue that there is a greater burden today than in the past to “prove” the worthiness and uniqueness of their efforts and programs to current and potential donors. The emphasis is on “what is different” about your program or initiative . . . how can you “show results” . . . “just what have you done lately?”

Traditional support evaporating. In many of our interviews, board presidents talked about how their traditional base of financial and other support in the community — which is largely corporations and professionals for many organizations — is gradually eroding. Part of the decline in corporate philanthropy they say, whether in terms of financial or volunteer support, is due to today’s transient work force, where fewer corporate executives are “homegrown.” As one board president told us: “Managers come in from elsewhere and don’t get as involved with the city. Corporate funding is down 90 percent from 20 years ago.” Similarly, board presidents are concerned about the implications of the impending large transfer of wealth to a generation that has few — or no — roots in their respective communities and is without a sense of tradition of investing in those communities.

So little time. All of the board presidents we talked with come to their positions in addition to other professional and personal

responsibilities. Even the most active board members, and those with the greatest sense of public service, can only allot a certain amount of time to their work, yet the crush of countless demands limits their ability to experiment or explore new ways of doing business. The sense one gets from the interviews is that many board members feel that they are caught in a kind of Catch-22.

Apathy and misunderstanding. In our interviews, board presidents describe a “public,” a community that, to them, is unwilling to get involved or even stay abreast of issues. They believe there is a grave misunderstanding within the public about the role of their board, or their organization, or both; they say they must spend a lot of time myth-busting. As one board member said with tongue in cheek, “We’re not just sipping tea and eating cookies.” One result of this overall situation is that some board presidents tell us that they have time only for the power-elites and squeaky wheels in their community — those who already are active.

Seeking a Better Path

Despite the laundry list of challenges, and the depth with which they seem to come, virtually all the board presidents told us that they want to meet the most pressing or essential needs of their communities, and they want to find ways to do things better.

“We want to make an impact.” Board presidents are searching for ways to ensure that they are devoting money, time, and effort to issues and organizations that will be effective in improving the life of the community. They share a strong desire to create change and make progress within their communities. They want to know that they are contributing to the community, and they want to be able to say to those around them, “We enabled that change.”

“We want to connect with the community.” Board presidents spoke a great deal about wanting to be “responsive” to the community, and to “hear” the community. They said they are constantly looking for ways to understand the concerns and needs of the community and to provide ways to address them. And they want to make sure that what they hear captures a wide view of the community — not just the “high verbal types” or the “word from the top” or the comments from the “squeaky wheels.” They want to feel confident they are making decisions that reflect the whole community and its sense of priorities. This hope to connect is a fundamental desire among board presidents.

“We want to be a positive force.” In our discussions, board presidents often would lament the amount of time and effort that they and their organizations devote to fund raising or administrative tasks. This time, they say, comes at the expense of their ability to provide a vision for the community, or to play a catalytic role within the community. Many talk about trying to avoid getting caught in the trap of micromanagement and focus more on what they see as their true

role: making an impact, getting things done, serving the community. They talk about finding ways to be more pro-active — to get out more, to do more, always seeking out issues of concern to the community and exploring new ways to meet those challenges with the resources that exist within the community.

Souls of Public Service

A great wellspring of service and commitment to community rippled throughout our conversations with board members. These individuals share a strong personal desire to play a public role in improving their communities; and they put their desire into practice always on top of, in addition to, other personal and professional responsibilities. Their efforts bespeak a commitment bordering on sacrifice.

Throughout our conversations, board presidents would continually return to the words “serve” or “service” to describe their motivations and aspirations for their role in the community. On a personal level, they talk about their work as “an opportunity to serve,” to respond to the needs of individual members of their community, and the community as a whole.

As board presidents, many speak about the “vital service” their organization plays in their community. For some of the organizations, this vital service takes the form of direct acts of assistance to people, such as supporting a food bank that feeds the hungry; for others, such as a community foundation, it serves by providing a pathway for folks to invest in the community; for a school board, it can serve as the “public body” that gives rise to a school system that is part of the community; and for still others, their organization may serve the community by playing the role of convenor or catalyst. And many organizations, perhaps most, provide a vital service that cuts across any of these lines of community service.

Through our discussions it became quite clear that these board members are ardent advocates for their organizations. They exude a passion in speaking about the importance of sustaining the work their organizations do. While the specific goals and activities of each organization vary widely, these board members do share some common goals. They told us that they hold a desire to “reinvest in the community,” to “strengthen the nonprofit infrastructure” and to “work for the future of the children.”

And many board members point out with great care that they are not members of their board to seek financial gain, nor do they plan to use their position, as one said, as a stepping stone to “a more prestigious” board or political office. For the most part, we found that these board members have had long terms of service with their respective organizations; several in fact played a role in the founding of their organization, while others are continuing a tradition that in some cases has lasted for generations.

Afterword: ... Leading to Where?

Clearly, pursuing greater public credibility and accountability is no easy feat for any institution or leader. The Harwood Group's work in this study and elsewhere suggests that generating it rests on a combination of underlying values and assumptions and reflexes. There is no quick fix, or simple answer. These board presidents are more aware of that than anyone.

And no one, it seems, can argue with the need for boards to fulfill their fiduciary responsibility; to demonstrate the worthiness of their work; to use their resources efficiently; to have well-honed internal procedures. Anyone who has run an organization knows these attributes are important.

But, given their search for credibility, one must ask whether this current path — if taken alone and left unchecked — may only serve to take them farther and farther away from the very community they seek to embrace and work within. Can it, alone, generate a greater sense of public credibility and accountability, or does it serve mostly to address the needs of other professionals?

The possible complexity of the situation should not serve to overwhelm or obfuscate or beg some of the fundamental questions that this study raises.

- **How far can professionalization take us?** — As board presidents and others seek to professionalize their boards, staff, and procedures, to what extent can such measures fulfill what a community itself may seek in terms of accountability and credibility?
- **What are the implications of pursuing constituencies?**— When does thinking about constituencies become a further fragmentation of a community? How might it restrict the community we come to know — for who is brought around the table to discuss issues and programs and concerns?
- **Who can speak with authority?** — What does it mean to have a deep understanding of a community, and who can speak with authority to provide such an understanding (or at least, parts of it)? To what extent can we assume that merely having smarter board members, better procedures, and a stronger staff will provide this deeper understanding?
- **What is valuable and to whom?** — What does it mean to “evaluate” an organization or its programs? What might be significant to professionals — numbers, statistics, empirical proofs — might not reflect the actual need, or measure of a program's value, to the community itself. How might these be different, and what might those differences mean for what we do?

- **How do we truly see and act within our community?** — Board presidents seek to operate as part of their communities. But often, our own mind-set, habits, and practices get in the way of seeing and acting within our community that is consistent with our aspirations and goals. What does it mean to reexamine our mind-sets, to uncover our habits, and to alter some of our practices?
- **To whom are boards accountable?** — This report might suggest to some that board presidents see themselves and their organizations primarily accountable to various constituent groups, donors, funders, and others. But is that view in line with the aspirations of these board presidents? Just to whom, and in what ways, are these organizations accountable? Indeed, what does it mean to hold credibility, and in whose eyes?
- **How to balance community and professional roles?** — How does a board and its organization make choices and judgments about who it is and what it does — indeed, how can it generate a deep understanding of its community and still make independent judgments about what it believes should be done?

Many board presidents and their organizations suggest that they do not like the path on which they find themselves today. For some, they have begun to seek, and act on, alternative ways to generate greater public credibility and accountability. But most board presidents seem to be pursuing a direction that may actually take them farther and farther away from the very community of which they seek to be a part.

**Richard C. Harwood, President
The Harwood Group**

Appendix: Methodology

This report is based on a series of 75 interviews The Harwood Group conducted with board presidents of four distinct kinds of community organizations: public schools, community foundations, local pass-through funder's, and civic organizations. Four organizations — one of each type — were identified in each of 20 sites across the country. All of these organizations are local, community-based organizations. None is a national level organization.

Organizations were identified and selected by The Harwood Group researchers based on the following organizational descriptions:

Public schools

Local public school boards

Community foundations

Locally based foundations that meet the legal definition of a "community foundation."

Local pass-through funders such as the United Way

Organizations that raise money locally, usually in smaller donations, and redistribute that money to agencies in the community.

Civic organizations

Citizen-initiated organizations that are nonpartisan and have a broad-based agenda.

The 20 sites were selected based on census data to get a representative sample of different size cities and towns across the country. The number of sites in each region of the country is based on the portion of the United States population living in that region.

Jonesboro, AR	Worcester, MA	Newark, NJ
San Diego, CA	Baltimore, MD	Syracuse, NY
Oakland, CA	Detroit, MI	Cleveland/Akron, OH
Tallahassee, FL	Greenville, MS	Pittsburgh, PA
Atlanta, GA	Butte-Silver Bow, MT	San Antonio, TX
Kankakee, IL	Raleigh-Durham-Chapel Hill, NC	Seattle, WA
Wichita, KS	Grand Island, NE	

Each interview lasted for approximately 45 minutes, took place between July 1997 and January 1998 and was conducted by telephone by a trained interviewer. Interviews were audiotaped, except in cases where the interviewee requested not to be taped. Participants were assured that their names and organizations would not appear in this study, both to respect their privacy and to ensure candid discussion.

There are, of course, limitations to interviews of this type. The research is qualitative. The observations in this report should not be mistaken for findings from a random sample survey. They are, technically speaking, hypotheses, or insights, that would need to be validated by reliable quantitative methods before being considered definitive. Nonetheless, the insights are suggestive of how boards of different types of community organizations view the role of boards and their interaction with the public.

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