



# Look Beyond Tradition to Diversify Your Board

*To be resilient, your board must be diverse. Here's what to do.*

BY KENNETH C. MCCRORY

**W**e're becoming more diverse as a country, and many nonprofits recognize the need to achieve diversity. Most, however, focus largely on diversifying the racial, cultural, or religious composition of their staffs. Their boards often contain the "usual suspects." But board diversity is just as important as staff diversity for an organization's long-term survival.

Diversity among board members provides great benefits to a nonprofit organization that serves the broad community:

- **People with dissimilar backgrounds have had different life experiences** and can contribute new perspectives. Board diversity results in a variety of viewpoints and opinions, which is very healthy for a board.
- **Because the board often serves as the organization's public face**, a diverse board helps the community identify with the organization and get behind it.
- **A board needs a wide variety of skills and contacts**, and no one can foresee every need that will arise. If most board members come from similar backgrounds, the board has limited its ability to take advantage of broader political, social, and fundraising contacts.

*An important step is to expand the nominating committee's responsibilities.*

## Obstacles—and How to Eliminate Them

Even nonprofits that recognize the need to diversify their boards often fail to achieve genuine diversity. There are three major reasons for this failure:

**1. The "just like me" syndrome.** Too often, the business people and community volunteers who populate many nonprofit boards look for minority candidates much like themselves. They search for acquaintances and members of their own business or social circles, rather than trying to reach beyond those circles to the larger community. The result is either outright failure, if no suitable candidates can be found in the narrow social segments that are searched, or a superficial increase in diversity that neglects the variety of ideas and experiences that nonprofits must have.

Diversity means having people from all walks of life with a love for, and commitment to, the organization. Nonprofits shouldn't limit themselves to people who

resemble current board members in terms of income, occupation, or social circle. For example, there's no reason not to have teachers, ministers, police officers, or carpenters on the board. Avoiding the "just like me" syndrome will increase the board's cultural diversity while at the same time making it easier to achieve greater ethnic, racial, or religious diversity.

**2. Ineffective recruiting.** Creating board diversity can sometimes be more difficult than creating diversity within an organization's staff. Paid staff can be lured from other parts of the country, helping nonprofits cope with a lack of local diversity that's beyond their control. National recruiting programs can overcome the limitation of a small local population of a particular ethnic group. Board members, however, typically are drawn from the local community. And local



recruiting can be thwarted by the limited scope of contacts and life experiences of existing board members, who often act as primary recruiters for the board.

To successfully diversify itself, a nonprofit board must go beyond its own resources and seek recommendations from outside the organization. Community leaders or leadership training groups, charitable foundations, and other organizations can provide invaluable assistance.

An important step to improve recruiting is to expand the nominating committee's responsibilities. Many organizations have abandoned the title "nominating committee" and now refer to this key group as the "board development committee" or "board advancement committee" to reflect a role that includes much more than simply identifying and electing new board members.

The nominating committee must define the skills needed on the board—insurance expertise, construction expertise, legal knowledge, political contacts, fundraising ability, and so on—and seek out prospective members who can provide those skills. The same is true for diversity goals. The committee must determine the board's diversity needs and then lead the organization's effort to meet those needs. To achieve successful diversification, the nominating committee must also take on these tasks:

- Improve the orientation process and orientation manual.
- Provide more guidance on board members' responsibilities.
- Orient, mentor, and train board members.
- Help board members evaluate themselves and their contributions to the organization.
- Ensure that board members' duties and responsibilities, including financial commitments, are made clear.

These activities are crucial for a board that wants to attract and retain new members.

**3. Inflexible requirements.** Overly strict criteria for board membership can be counterproductive. On most nonprofit boards, for example, it shouldn't be necessary for all members to make a major financial contribution to the organization. It's desirable for all board members to contribute something, but making a large financial contribution shouldn't be a *sine qua non* of membership. Achieving board diversity will be impossible if every member must be wealthy. Having a minimum contribution or even a "suggested" contribution will limit membership and participation, and make those who do achieve board membership feel like second-class board members if they aren't contributing at the level of others.

A "customized commitment" for each board member is an alternative to a suggested contribution level. The customized commitment can address giving as well as time commitment and committee assignments.

It's important for the organization to be flexible in other ways as well. Board meeting times should be varied so those with fixed time commitments can attend at least some meetings. A perfect or nearly perfect board meeting attendance record shouldn't be a mandatory requirement for membership. Some people who can't attend most board meetings may be able to attend committee meetings at other times or help in different ways, such as with special events.

## The Benefits Are Worth the Effort

Through diversification, a board can increase its fundraising capacity, obtain broader community and political contacts, and enrich its perspectives on community needs. Board members will have a greater awareness of the impact of government institutions and political leaders on the organization. By adding new members, the board can enhance its skills in finance, risk assessment, human resources, marketing, public relations, and political advocacy. A diverse board today can be better than it was.

Nonprofits that want to diversify their boards must first make the commitment at the board level and then put in place the policies and procedures that will result in successful diversification. Endless discussion and half-hearted attempts won't get the job done. The board must commit to diversifying itself and then take action as if the organization's future depended on the outcome—because it does. ■

*Kenneth C. McCrory, CPA, is a principal of McCrory & McDowell, LLC (312 Boulevard of Allies, Pittsburgh, Pennsylvania 15222, 412-281-9690, mccrory@mccmcd.com), an accounting and consulting firm, where he heads the practice area focusing on nonprofits.*

### Diversity Kit for Your Board

For more on creating a strong and diverse board, see these *Nonprofit World* resources at [www.snpo.org](http://www.snpo.org):

- Beyond Diversity** (Vol. 18, No. 2)
- Encouraging Visionary Board Leadership** (Vol. 16, No. 4)
- Who Should Be on Your Board?** (Vol. 8, No. 1)
- Board Self-Assessment** (Vol. 7, No. 4)
- Eliminating Resistance to Change: The Magic Formula** (Vol. 10, No. 5)
- 10 Action Steps for Vital Boards** (Vol. 10, No. 1)
- Improving Nonprofit Boards: What Works & What Doesn't?** (Vol. 15, No. 3)
- Board Governance Videotape**