

Governance

How to Succeed on a Nonprofit Board

Dump your assumptions, and be curious.

By [Daniela Barone Soares & Jon Huggett](#) | Aug. 28, 2017

Late one night, not too long ago, one of us got a phone call from a desperate executive director. The nonprofit he led was on the verge of bankruptcy. Over the years, the organization had thrived as a government provider, but a number of its big contracts were ending. For a long while, the executive director had been convinced the providers would renew. After all, they had done so innumerable times in the past. But as a new federal administration took over, it became clear the contracts were ending for good.

During the call, he took full responsibility for the situation. But he also couldn't help questioning whether his board—filled with successful businesspeople—should have been more on top of things. In particular, he felt the board's treasurer, a well-known CFO of a big corporation, wouldn't have missed a looming crisis like this at her own company.

Ultimately, the nonprofit didn't fold. But the crisis stressed relationships up and down the organization, and within a few months, the treasurer resigned. It was everybody's loss.

Few organizational issues are clear-cut, and this was no exception. But in hindsight, the executive director and board directors agree that the board wasn't primed for effectiveness. It had many talented members, but few of them had any real understanding of what being a good nonprofit board member entailed.

Unfortunately, in our experience—more than 30 years combined working in and with nonprofit boards—this problem is pretty common. Nonprofits actively court trustees from the business sector, believing their experience will add a lot of value to the organization, but many of these recruits don't appreciate the complexity of the sector or the need to learn how to be a good trustee. As a result, they stop being the observant, motivated people they are in their for-profit roles. They stop thinking critically.

Why does this happen? We think it's because a lot of businesspeople who join nonprofit boards enter their role with two very wrong preconceptions: 1) businesses are more efficient than nonprofits, and 2) nonprofits are more ethical than businesses.

Sure, by definition, at a high level, businesses focus on profit and the efficiencies needed to attain it, while charities focus on positive social or environmental change. But that's a gross generalization, and about as accurate as any stereotype. In the granular world of day-to-day operations, if a board member who works in business thinks businesses are all about efficiency, then they might assume they are automatically overqualified as a nonprofit advisor. They might assume they don't need to give their full attention to do a good job. And if they think people running charities are more ethical than most, then they might assume that the organization they're advising doesn't require scrutiny.

The reality is that nonprofit directors need to bring every bit of expertise they have to the task, because nonprofits are often far more complex to run and advise than commercial organizations. And every complex organization needs scrutiny.

Perhaps the very concept of "charity" is part of the problem; joining a board to "give back" or "donate" implies that board members already have all the ingredients to do so. It also implies that the problem is "out there." Not true. We are all responsible for the social capital that surrounds us and must take to heart the many problems nonprofits and governments are trying to solve. Those serving on nonprofit boards can't indulge in the thought that somehow we are separate from the people or causes we're trying to help.

The very thought of separateness, in fact, may prevent board members from being curious in the kinds of ways that will help them do their best work. And curiosity, we think, is the key to becoming a successful board member.

Great board members ask who, what, when, where, how, how much, and why? They are:

- **Curious about impact.** They ask: How do we have impact? How do we meet or engage the people we are trying to help? Do we offer the right services? Can we show that our work really delivers impact?
- **Curious about context.** Who are our competitors, and what do they do? What choices do our clients have? How do we compare to benchmarks our clients might use, such as for effectiveness or price?
- **Curious about money, where it comes from, and where it goes.** Who are our customers, donors, or investors? Why do they buy, give, or invest? When does our money come in each year? Does it come in regularly or in lump sums?

- **Curious about people.** They talk with everyone who matters, including clients, staff, donors, and competitors. The best among them spend a few hours with the management team before they even sign on.
- **Curious about the board, as a team.** They attend board meetings even before joining, seek out the views of the board members who are different, and watch how people approach issues.

Once they have a grip on the heart of these issues, great board members look around and take their brain for a walk. Instead of visiting a program site as a board member or donor, for example, they might volunteer. Instead of sticking to their comfort zone of expertise, they venture out and learn.

Why bother? Because there are both personal and professional rewards. We can attest to this, and we want others to have the same experience. We've enjoyed helping causes we care about, tackling issues that infuriate us, and meeting amazing people we never would have met if we hadn't joined nonprofit boards. We've served with people from Harvard and people from the school of hard knocks. We've learned more about handling conflict from a trustee who spent time in prison than we have from years of well-meaning workshops and development training. And we've learned a lot more about leadership in and around nonprofit boardrooms than we ever did in business.

Serving on a nonprofit board is immensely rewarding, and everyone should consider doing it. But the rewards come only to those who participate fully and use all they've got to further the missions they really believe in.



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