

The Four Principles of Purpose-Driven Board Leadership

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The *Leading with Intent* Study

- Study of board composition, culture, and performance
- First data collected in 1994
- “Moment in time” snapshots of board strengths and challenges
- Survey of more than 800 public charity CEOs and board chairs
- The survey for this report was conducted in 2019
- Launched in tandem with a separate DEI-focused supplemental *Leading with Intent* study

Leading with Intent -- The State of Today's Boards

- Disconnected from communities/people they serve
 - 49% of chief executives say they don't have the right board members to establish trust in the communities they serve
 - 32% of boards place high priority on "knowledge of community served"
- Ill-informed about the ecosystems in which they operate
 - 25% of boards prioritize "knowledge of the organization's work/field" in board recruitment
 - 11% of boards prioritize "prior or current experience with a similar organization/mission area"
- Lacking in racial and ethnic diversity
 - 78% of board members are white; 19% of boards are entirely white
- Not focused enough on providing strategic direction
 - Boards are not recognizing that providing strategic direction should be their top priority ("ensuring resources" and "providing oversight" are boards' 2nd and 3rd priorities)

A New Mindset for Board Leadership

Purpose-Driven Board Leadership

- Acknowledges serious and significant challenges at the board level that largely stem from a breakdown between:
 - WHAT the board understands its role to be;
 - WHO the board recruits in alignment with that role; and
 - HOW the board prioritizes and makes decisions for the organization.
- Offers a new way of thinking about the board's role and the way that it approaches its work, which also includes necessary shifts to board composition and practices.
- Organized around four key principles of “purpose-driven board leadership.”

The Four Principles of Purpose-Driven Board Leadership



Purpose
before
organization



Respect for
ecosystem



Equity
mindset



Authorized
voice and
power



Principle #1: Purpose before Organization

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

A reframe of "duty of loyalty." Moves the organization away from viewing itself as the "center of its own gravity;" focuses the organization on re-focusing on its purpose and how it can best steward its resources in service to its purpose

"Purpose before Organization" scenario: An organization working on a public health initiative to educate their community about vaccination has to make a choice between doing what is best for the community it serves or doing what is best (from a budgetary standpoint) for the organization

Principle #1: Purpose before Organization



What's best for
our organization?



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

Principle #2: Respect for Ecosystem

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.

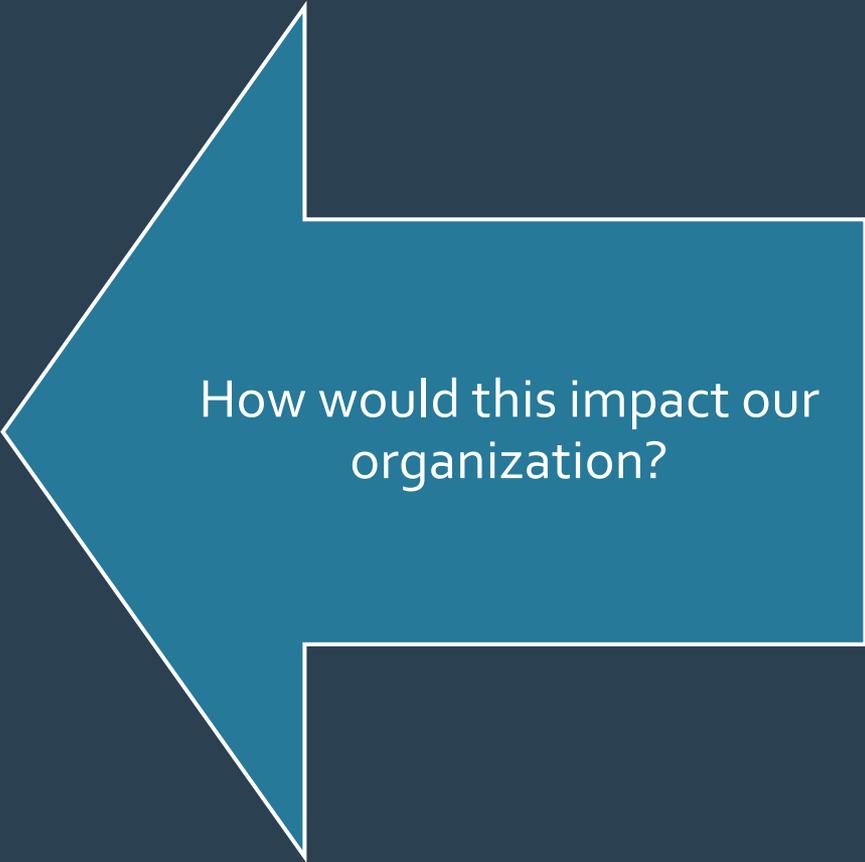
Requires boards to:

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

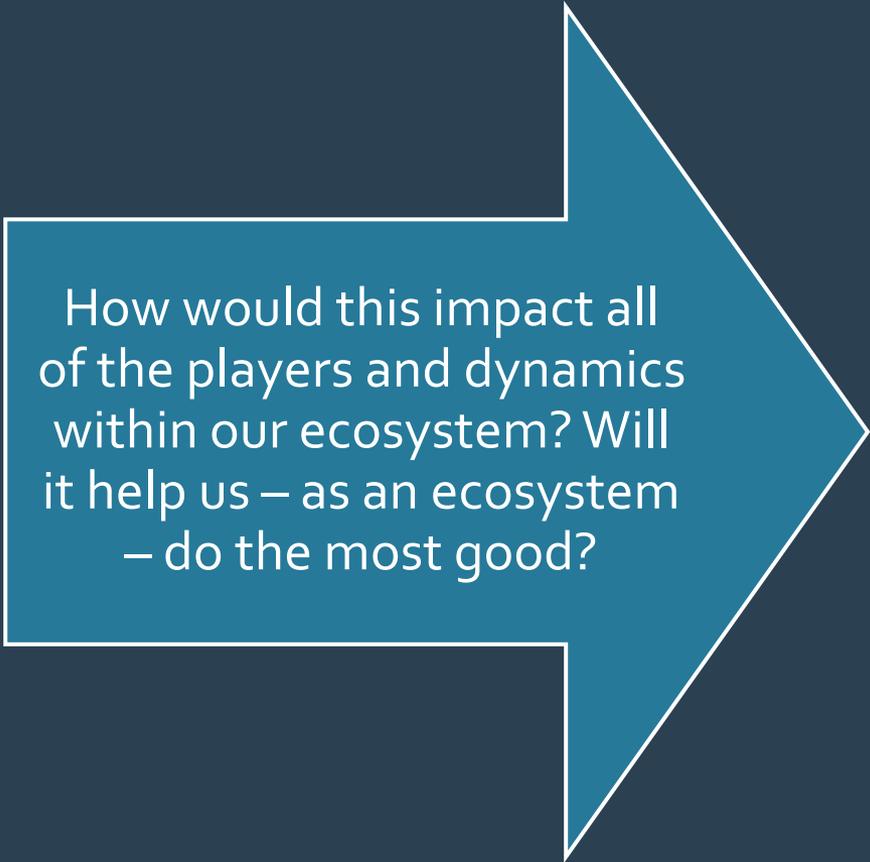
Consider impact of their actions on the ecosystem as part of decision-making processes.

"Respect for Ecosystem" scenario: An organization in search of a new location for its physical programs finds an ideal site – but recognizes that selecting the site might cause hardship (or even termination) of a smaller organization that does similar work.

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?

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.

Must be applied across a number of areas, including:

An equitable allocation of organizational resources

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

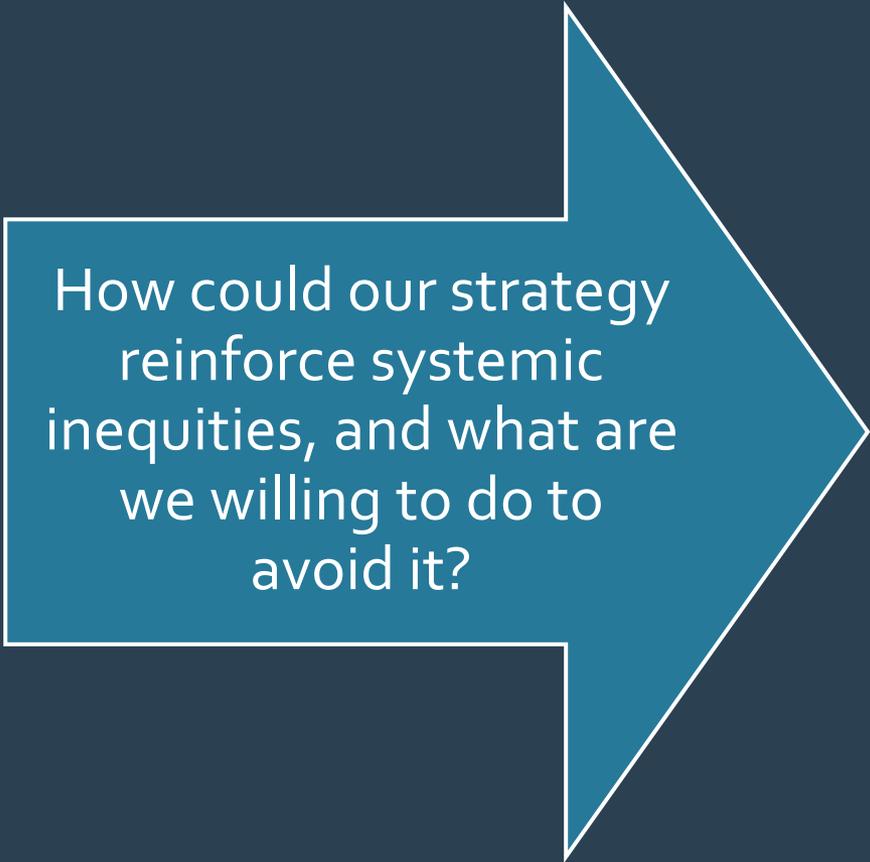
Diverse and inclusive board composition

"Equity Mindset" scenario: An organization develops a large and well-funded job development program that is highly effective with white participants but largely ineffective with participants who are people of color

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?

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 community development organization struggles to serve its constituency in the midst of gentrification that is displacing communities of color

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?

Questions for Small Group Discussions

- How do these four principles (Purpose before Organization; Respect for Ecosystem; Equity Mindset; Authorized Power and Voice) resonate with you? How would it help your organization to adopt these principles?
- Which of these four principles do you see as the greatest challenge for your board to adopt?
- What questions do you think your board would raise when presented with these principles?