LIMITED LEADERSHIP: AN EXAMINATION OF HOUSTON NONPROFIT BOARD

DIVERSITY AND WHETHER SELECTION PROCESSES AND EXECUTIVE

DIRECTOR PERCEPTIONS OF GOVERNANCE MODELS AFFECT COMPOSITION

Angela D. Seaworth

Submitted to the faculty of the University Graduate School
in partial fulfillment of the requirements
for the degree
Doctor of Philosophy
in the Lilly Family School of Philanthropy,
Indiana University

June 2016

Accepted by the Graduate Faculty, of Indiana University, in partial
fulfillment of the requirements for the degree of Doctor in Philosophy.

_____

Philip L. Cochran Ph.D., Chair

_____

Lehn Benjamin Ph.D.

Doctoral Committee

_____

Debra J. Mesch Ph.D.

February 3, 2016

_____

Gregory R. Witkowski Ph.D.

DEDICATION

To my parents for demonstrating service to others as fundamental part of our existence

and for showing me that education changes lives, and to my children for giving me two

beautiful reasons to want to improve the world for future generations.

ACKNOWLEDGEMENTS

Angela Seaworth

LIMITED LEADERSHIP: AN EXAMINATION OF HOUSTON NONPROFIT BOARD
DIVERSITY AND WHETHER SELECTION PROCESSES AND EXECUTIVE
DIRECTOR PERCEPTIONS OF GOVERNANCE MODELS AFFECT COMPOSITION

Nonprofit governing board diversity recently gained attention from scholars, and the changing demographics of the United States' population create urgency around understanding how to diversify nonprofit boards. This study examined nonprofit board diversity in the largest majority-minority city in the United States – Houston, Texas – which was also declared the most diverse city in the country in the 2010 Census. GuideStar was used to identify nonprofit organizations in the Houston metropolitan area with annual revenue of $250,000+ and were contactable. 712 executive directors were surveyed electronically; there was a 26% response rate yielding responses from 185 nonprofit organizations. The survey was designed in three sections to study board composition, board processes and whether or not the executive director's perception of the governance model would influence the diversity ratio on an organization's board, and the analyses correspond with those three sections. The study found Houston's nonprofit boards are 9% more diverse than the national average and that Caucasians continue to be overrepresented in governing roles. Other composition findings were that the diversity ratio for board members under 35 years old is beginning to mirror the Houston population and that there was statistical significance between board members being 65 years+ and a lower diversity ratio on the board; however, there was no evidence that suggested nonprofit boards are more diverse in diverse communities. The study identified a gender gap in executive committee service, with a mode of one female serving on these committees despite that fact women make up 46% of all nonprofit board

members. No relationship was found between diversity ratios and board procedures or the executive director's perception of the organization's governance model. Other findings were that Houston boards use executive committees at twice the rate of the national average, and that there is direct contradiction between the perceived value of diversity and what characteristics are considered important when recruiting board members. This study ruled out simple solutions for increasing board diversity through board procedures, and it identified areas for future research regarding governance models, the alignment of recruiting characteristics with board diversity and gender equality in leadership.

Philip L. Cochran Ph.D., Chair

TABLE OF CONTENTS

Curriculum Vitae

LIST OF TABLES

LIST OF FIGURES

CHAPTER ONE - INTRODUCTION

Driving to the local country club, the young woman was becoming anxious

because she had never served on a nonprofit board before. She had graduated from

college less than a year ago and was a bit surprised that part of her new role as a public

affairs specialist would be representing the company on nonprofit boards. Although

unaware of her exact responsibilities, she knew enough to know that governing an

organization was a serious undertaking – it must be since nonprofit organizations provide

vital services to the community. She prepared for her first board meeting by reading one

book about nonprofit governance and wore her best navy suit to assimilate with the other

board members who would undoubtedly be more seasoned than her. As she pulled into

the parking lot, little did she know how much she was about to learn about nonprofit

boards – specifically, their lack of diversity.

Greeted by the hostess, she was lead into the meeting room where some board

members were already sampling the continental breakfast. She immediately noticed that

some of the board members were significantly older, enough older that she offered to

bring them cream for their coffee. When a man at the head of the table looked her way

and mentioned that they should get started, she quickly took her seat, opened her

portfolio to take notes and it seemed as if people were staring at her. It was only then that

she realized that not only was she the youngest person in the room, she was the only

female and her navy suit was similar to the hostess uniform. The other board members

had been expecting the Vice President of the company, a white male in his 50s… not her.

So she introduced herself as the representative from the company – the organization's

largest corporate donor – just as the organization's executive director was escorted into the room by the hostess.

That was my first nonprofit board experience and combined with a few other curious board experiences early in my career, it spurred my interest in nonprofit board governance. Many of my early questions were broad and revolved around board process. For example, why do some of the boards have nominating committees while others don't or why do some ask me to fill out board assessments and others don't? Why do most boards look alike? Where are the women and minorities? Then, my questions turned more toward the dynamics of board leadership. For example, if the board chair is a bank president and I am a recent graduate with a degree in psychology and communications, why am I the only person who raised an issue about the financial statement? Surely these business leaders noticed it looked odd, if someone of my inexperience did. Why would the most successful businessman on the board not challenge an executive director when there were signals of a leadership problem, such as staff turnover rate consistently around 35%? Why did so many of the board members seem surprised by the staff reports, when the information was in the materials sent ahead of time? Such accomplished individuals appeared not to be prepared for the meeting at all, evidence of a nonprofit governance phenomenon Peggy Jackson (2006) referred to as "Leave your brains at the door (LYBATD) syndrome [which] describes board members' singular or collective inability to apply their education, training, professional skill set, and/or the requisite intellectual rigor to nonprofit board deliberations, decision making and governance" (p. 60).

These LYBATD experiences and the subsequent questions spurred my desire to better understand nonprofit governance. In hindsight, some of the issues were puzzling

due to my inexperience with political maneuvering; yet, much of the behavior I witnessed remains confounding after serving on boards for over 20 years. Current best practices were not preventing recklessness in the boardroom. Given my early board experiences, I started to raise more targeted questions about board diversity: how diverse were nonprofit boards? Why are some boards more diverse than others? What effect does board diversity have on nonprofit organizations?

However, the more I learned about nonprofit governance literature and leadership, a logical process to understand key areas of effectiveness emerged. By studying pieces of board process, we can isolate variables and identify which contribute to effective governance such as attendance, composition, policy, structure and fundraising participation. After evaluating many aspects of nonprofit governance, a less-examined variable related to composition and structure became of great interest to me – board diversity.

Although research on nonprofit governance effectiveness remains mixed, theories of representation and inclusion support the notion that diverse boards will better represent the community in which the organizations operates and the constituents it serves (Bolduc, 1980; Brown, 2002; Guo & Musso, 2007; Guo, Metelsky & Bradshaw, 2014). Organizations can also gain legitimacy with local constituencies if there is authentic representation of the community and client in the organization's leadership. And, in a study of top leadership teams in churches, Perkins and Fields found that diversity on these teams led to internal operating efficiency and organization growth (Perkins & Fields, 2010). Likewise, corporate board governance literature indicates that, in some cases, diverse boards lead to better business outcomes (Erhardt, Werbel & Schrader,

2003; Huse & Solberg, 2006; Jehn & Berzrukova, 2004; Miller & Triana, 2009.) This evidence that diversity may impact board performance and organization legitimacy combined with the predicted changing demographics of the United States' population and board members aging out of service, understanding diversity will become important to nonprofits and their boards. If nonprofit organizations are currently not concerned with diversity of their governing boards from the human capital or business outcomes perspectives, they will be in the future as the population changes. It will be increasingly difficult to recruit the stereotypical, white male board member; therefore, nonprofits will be seeking members from diverse backgrounds and learning to facilitate them working together effectively.

The lack of board diversity has already become an increasingly popular topic of conversation at fundraising professional association meetings and practitioner conferences because staff members responsible for identifying board members feel pressure to diversify their boards. When "70 percent of nonprofit organizations report it is difficult to find board members and 20 percent say is it very difficult," adding this criteria for diversity makes the recruitment process even more daunting (Ostrower, 2007, p. 16). I have seen these practical challenges of board recruitment and succession planning during my experience serving nonprofit boards for more than twenty years. Likewise, in my professional experience working in development, I also saw first-hand the challenges nonprofit staff members have when they are charged with identifying prospective board members. This life experience inspired my research interest in nonprofit board diversity, and combined with the incredible diversity of the city in which I live – Houston, Texas which, according to Kever (2012), became the most diverse

metropolitan area in the United States in 2012 – I began to wonder what nonprofit boards were going to look like and how they would function in the future.

Historically the American population has been characterized by diversity, and given a steady stream of immigration and societal changes, over the past fifty years, that allow more opportunity to people regardless of ethnicity, gender, and religion, why does the majority of nonprofit board composition still look like it is from the 1930s? Rikki Abzug (2004) found consistencies in board composition in six cities in 1931, 1961, and 1991; although, over time, boards have become less elite and more diverse, the majority of nonprofit board members are still Caucasian males. Constance-Huggins (2003) cited BoardSource data that confirms that nonprofit boards "over-represent males and Caucasians. Further, the average board member is 50 years old; more than 82 percent are older than 40" (Constance-Huggins, 2003, p. i). Despite modest increases in minority board membership over the past twenty-five years, "board members are still primarily white (approximately 80%) and male (approximately 60%)" (Brown, 2002, p. 4). Berstein's (2012) research on nonprofit diversity claimed that BoardSource data from 1994-2010 suggested the number of Caucasian board members remains around 85%, and this is only one percent more diverse than the National Center for Nonprofit Boards' findings, from a decade earlier, that revealed nonprofit boards composition was 85% Caucasian (National Center for Nonprofit Boards, 2000).

The homogeneous composition of nonprofit boards is often in stark contrast to the increasingly diverse populations being served by the organizations they govern. It seems this apparent lack of diversity at the board level would raise many questions regarding nonprofit governance; yet, there has been little research into this phenomenon (Fletcher,

1997; Ostrower & Stone, 2006; Wise & Tschirhart, 2000). As Ostrower and Stone posited, "a subject on which far more information is needed concerns what types of boards are more or less racially and ethnically homogeneous, and why" (Ostrower & Stone, 2006, p. 616). Besides the most common questions regarding age, gender, and racial diversity, there are opportunities to research client representation, economic, and professional diversity at the board level. Moreover, qualitative and comparative work could help understand attitudes and behaviors of nonprofit boards to identify patterns of diverse and efficient boards. With communities becoming increasingly more diverse, as highlighted by 2000 Census data, which reported that "minorities have become the majority population in six of the eight largest metropolitan areas in the United States" (Gajewski, 2005, p. 1), one must question if it even possible for these homogeneous boards to govern organizations effectively.

In the United States, the general population is more diverse than ever, so why is it that nonprofit boards remain so homogeneous? Are there macro variables at play such as the percentages of diversity in the general population, the openness of social capital networks in communities and the attitudes regarding diversity's value in governance? Or are there more micro variables at play such as whether nonprofit organizations are utilizing management tools to identify opportunities for selecting a more diverse board and whether an executive director's perception of what the board's role is in the organization will impact the level of diversity on the board? These micro questions create opportunity for scholars to consider whether or not diversity, broadly defined as differences in race, gender, age, and professional expertise, adds value to organizations. If diversity at the governance level is determined to have some positive value for

organizations, what steps can organizations take to achieve, and increase, diversity on nonprofit boards? Because organizations are more likely to be able to control the micro issues, specific questions that address micro issues may yield practical knowledge that could benefit the sector.

As the general population diversifies, issues surrounding nonprofit board diversity are becoming increasingly prevalent. Since board member recruitment and composition are controlled by the current board and executive staff, would an examination of how these players value diversity and manage procedures that impact diversity serve as indicators as to the board diversity ratios in the nonprofit sector? Could we better understand the nonprofit governance climate in a community by exploring board composition, board procedure and whether the perceptions of an organization's executive director may be related to board diversity? As a result of these contemplations, I developed the following research question: *Do mechanisms of nonprofit board governance contribute to board diversity?* To investigate this question, my research examined the following six questions to learn whether the mechanics related to board composition, procedure and the boards' role influence board diversity.

First, are nonprofit boards in diverse communities more diverse? Research by Reskin, McVrier and Kmec (1999) and Erhardt, Webel and Schrader (2003) claimed that leadership will naturally become more diverse as the population diversifies. If that is the case, a snapshot of the nonprofit boards located in diverse populations would indicate more diversity than boards in communities with populations of average or less than average diversity.

Second, are women leading nonprofit boards by serving on executive committees or are they serving in lesser leadership roles? The number of women serving on boards has increased over the past few decades; however, it would be interesting to know if they are holding officer and executive committee roles or if their increased board presence is a result of tokenism.

Next, do board recruitment procedures, such as having a designated committee for board member selection and using a matrix to identify gaps in diversity, result in more diverse boards? By studying board recruitment procedures, it may be possible to identify some procedures that are correlated with diversity.

Fourth, is board diversity affected by whether the responsibility for member selection lies with the staff, a board committee or the entire board? Again, by asking specific questions related to board member selection, we may be able to identify procedures that are correlated with increased board diversity.

Fifth, is board diversity considered a priority among nonprofit boards, in this study? Inquiring about the characteristics that are prioritized in board member selection, whether or not types of diversity are mentioned at board meetings and the board's general perception about the importance of board diversity in the organization's success will allow us to learn more about the influence that board has on making diversity a priority at their organizations.

And, finally, does an executive director's perception of the organization's governance model impact board diversity? This inquiry will allow us to see if there is a relationship between board diversity and how the executive directors believe the board should be functioning at the organization. For example, if the executive director reports

that the organization uses a representation governance model, there should be some alignment between that model and what the executive director reports as the board's most important characteristics and contributions to the organization's health.

<u>Context and relevance of this study</u>

This study will examine the relationship between micro variables mentioned in the research questions above and board diversity in Houston. Houston is an ideal city in which to examine this relationship because the city's diversity has dramatically increased and it was named the most diverse city in the United States, as of the 2010 census. If Reskin et al. (1999) and Erdhardt et al. (2003) are correct that leadership naturally diversifies as the population diversifies, then one would expect the boards in Houston to be more diverse than boards in less diverse communities. The study will create a snapshot of board composition that can be compared to national board diversity averages, and it will examine board process and executive director perceptions to see if there are trends between those practices and the diversity ratio on boards.

A 2012 study from Rice University's Kinder Institute of Urban Research and the Center for the Study of Texas used U.S. Census Bureau data to identify Houston as the most diverse metropolitan area in the United States (Emerson et al., 2012; Hu, 2013; Stanglin, 2012). The city's ethnic and racial diversity has increased dramatically since 1990, from a city that historically had a majority Anglo population now is, according to Dr. Jenifer Brattner, one of a few "majority-minority cities, where Anglos represent less than 50% of the population" (Gates, 2012).

Houston's changing demographics is simply a forecast of how the US population will change overtime. Emerson suggests that Houston's ethnic diversity and immigration

flows precede that of Texas by 10-15 years and is 30 years ahead of the United States (Hu, 2014). Another study sponsored by the US2010 Project, in 2012, concurred with the Rice University demographic findings. The study focused on changing demographics at the local level and found increased diversity in most communities since 1980 and that although majority-minority communities were most common in "the western, southern, and coastal metropolitan areas" they are appearing in the middle of the country as well (Barrett, 2012, p. 1).

Such rapidly changing demographics, particularly in metro areas, elevate the importance of understanding the role of diversity in nonprofit leadership. It is critical to learn how diversity is being incorporated into leadership roles in the nonprofit sector, in light of the massive turnover in leadership – both executive directors and board members – expected in the next decade as the Boomer generation retires. A 2005 study sponsored by The Bridgespan Group identified a leadership deficit in the nonprofit sector and predicted a need for approximately 640,000 new nonprofit leaders by 2016 (Tierney, 2005, p. 2). A year later, a CompassPoint study revealed that 75% of nonprofit executives surveyed expected to retire by 2011 (Bell, Moyers & Wolfred, 2006). The sector has yet to see the level of demand predicted in these reports, but the notion of Baby Boomer retirements among board members and changing demographics raises some basic questions: Are there board policies in place to support such transition in nonprofit staff and board leadership? How is committee structure used for succession planning, cultivating and recruiting new board members? Who are the individuals who will fill these board leadership roles? Will the new board members be representative of the changing demographics in the community? And, will nonprofit organizations be prepared

for how the increasing diversity in our population will potentially alter traditional

nonprofit board governance?

Nonprofit boards have the long-earned reputation for being homogeneous, with a

majority composition of older, white males; however, Greater Houston area

demographics indicate that the population will not support that stereotypical nonprofit

board composition in the future. According to 2010 Census, the percentage of Caucasian

males who have led the nonprofit community is shrinking in the Texas population. The

Greater Houston population was 57.9% Caucasian in 1990, and that has decreased to 39.7

by 2010 (Emerson et al., 2012). The City of Houston's Planning & Development

Department identified dramatic increases in ethnic diversity in the city between 1980 and

2010, with net increase growth in all ethnicity categories except Caucasian, which

declined in three consecutive decades for net population loss of 296,160 (City of Houston

Planning & Development Department, 2012). Furthermore, the nonprofit board talent

pool will look dramatically different in three decades. Those who will be of the typical

age to serve on nonprofit boards, ages 45-60, are currently under 18 year old, and 46.5 %

of the greater Houston area population under the age of 18 is Latino (Pew Research

Center, 2013). Simply put, in the next couple of decades, nonprofit board diversity will

be a necessity rather than an aspirational best practice, and scholars and practitioners

must be able to understand how to operate with a new talent pool of diversified human

capital.

Contribution to the Literature

By examining the current state of diversity in nonprofit board leadership in the

Houston metropolitan area, this research will add to existing literature on nonprofit board

composition by testing whether or not boards are more diverse in areas with diverse populations. Reskin et al. (1999) and Erhardt et al. (2003) asserted that organization leadership will naturally diversify as the community's population diversifies, and this research sample is based in the most diverse multi-ethnic metro area in the United States (Reskin et al., 1999; Erhardt et al., 2003). If the assertions of naturally diversified leadership are correct, then one would expect the snapshot of nonprofit board composition in the greater Houston area to be more ethnically diverse than the national average.

This research will also provide a benchmark for Houston nonprofit governance composition that can be compared to the data from national studies by The Urban Institute (2007) and BoardSource (2012). It will allow us to compare the levels of types of diversity compared to the national average. Additionally, this benchmark will provide information regarding types of diversity, age and professional, that could be useful in succession planning policies.

Furthermore, this research will add to the existing literature on board composition and women's leadership in philanthropy by examining the current state of women's board service, in this sample. This will enable us to determine a percentage of women serving on boards, examine if women are more likely to serve on boards of larger, more established organizations or smaller, less established organizations where working boards are more common. More importantly, this research will add another dimension to understand women's roles on nonprofit boards by determining if the women serving hold positions of senior leadership, such as serving on the executive committee, or if they are in positions of lesser responsibility.

This study will also explore the process nonprofit organizations use to recruit board members. The data collected will show whether or not nonprofit boards use standing committees to recruit board members, along with the names and functional expectations of those committees. This data will help illuminate whether there are any connections between diversity and the selection procedures, committee name or functional expectations for the committee. This research will also provide data as to whether or not boards are currently utilizing any tool to track diversity characteristics and potential gaps in diversity among the board. Furthermore, the study will collect data that will provide insight into whether the executive director perceives it is difficult to recruit individuals to serve on nonprofit boards and where the responsibility rests for board member recruitment. Exploring board procedures that exist to cultivate and recruit new board members will add a new dimension to the study of nonprofit board diversity by focusing on who in the organization has ultimate responsibility for identifying prospective board members. The data should allow us to examine if there are correlations between these procedures and organization size or board diversity.

Another part of this research will add to governance literature by investigating whether there is a correlation between the executive director's perception of the board's role and the level of diversity. The study will explore the board and executive director's influence on the board's diversity at an organization by asking executive directors to recall whether or not types of diversity are openly discussed among the board and whether or not the board believes diversity is an issue they should be addressing. Additionally, the executive directors will be asked about their perceptions of their boards'

role and board governance model, which may indicate whether there are any significant connections between board diversity and the executive directors' perceptions.

Ultimately, this work will expand existing knowledge about nonprofit board composition and add to the literature by examining women's board leadership involvement, board procedure's impact on diversity and whether or not executive director perception of the board's role and governance model is related to the diversity on a nonprofit board. The practical findings gained from this study will provide information that will be useful as nonprofit boards learn to operate in a multiethnic environment, in addition to directly benefitting the sample community.

Definitions of diversity

Nonprofit governance research is hindered by terminology and the lack of specificity around which we discuss some of the more interesting aspects of boards, such as leadership and effectiveness. When diversity is added to the investigation, the research becomes further complicated by the fact numerous definitions exist for diversity – ranging from individual characteristics to difference of viewpoints. Diversity is commonly accepted as term to describe characteristics and differences; however, nonprofit governance diversity research has been complicated by a relatively recent trend to substitute the words representation and inclusion for diversity (Constance-Huggins, 2003; Singh, 2001; Roberson, 2006; Brown, 2002). The academic community is debating whether these terms are interchangeable or have separate definitions.

Inclusion is commonly used as a more politically correct term for racial diversity; whereas, representation is directly linked to theory (Pitkin, 1967). Using these two terms interchangeably interferes with the application of representation theory to governance

research, so some scholars are developing a case for these terms to be identified as separate concepts (Roberson, 2006). Brown (2002) defined inclusive governance as actually involving the organization's constituencies on the board, and Constance-Huggins (2003) concurred such involvement was critical, although she defined this concept as representation (Constance-Huggins, 2003, p. 2). Gardon (2001) also argued that nonprofit governance would benefit from "public representation, best achieved through a meaningful diversity of viewpoints that informs the board's deliberations and decisions" (Gardon, 2001, p. 7). On the other hand, Fletcher (1997) claimed that "the definition of diversity most given... referred to inclusion or representation" but offered no distinguishing definitions for the two terms (Fletcher, 1997, p. 2). The definition of inclusion is not conclusive, but seems to have settled around realizing the full potential of all human capital on nonprofit boards (Roberson, 2006; Bradshaw & Fredette, 2011).

Roberson (2006) conducted a comparative, qualitative study to determine if the trend of using the word inclusion instead of diversity was jargon or conceptual change, and she found a conceptual difference between these two terms. Subjects perceived the term diversity as being related to individual differences and demographics; whereas, they associated inclusion with the organization increasing participation among its members (Roberson, 2006, p. 219). Moreover, Pitts' research regarding diversity effects in public education performance found that "there are no consistent patterns between representation and performance" but concluded that "diversity and representation affect performance *differently*" (Pitts, 2005, p. 627). Understanding these two terms as distinct concepts could change how nonprofit board members perceive diversity, how they recruit and involve minority board members, and how they interact as a body. And, more recent

research has demonstrated that inclusion on nonprofit boards "has consequences for minority recruitment, performance and retention" (Bernstein, 2012, p. 9).

Given the lack of agreement upon definitions for diversity in nonprofit governance research, scholars must take care to provide supporting evidence as to how they arrived at their chosen definitions in order to build a literature that will help develop shared definitions that will allow us to advance research in this area. *For the purpose of this study, diversity is defined as follows: the representation of board members in regards to individual characteristics of race and gender*. These diversity characteristics are the focus of the study; however, there is some examination of age and professional diversity. Economic diversity of board members is not being considered in this study. Likewise, the researcher has elected not to include mission of the organization as a reflection of diversity because, in a multiethnic area, such as the Houston metropolitan region, the majority of nonprofit organizations are serving multi-ethnic populations. Some organizations, such as the Association for the Advancement of Mexican Americans, exist primarily to serve a specific population, and their boards likely have a higher racial representation of the target population; however, this research is examining four areas of diversity, with race only being one of them. The researcher is suggesting that all nonprofits boards, regardless of mission and service provision area, could benefit from board diversity because they will face challenges around board diversity in the next two decades.

Plan for the study

In this chapter, I have demonstrated the relevance of this study by providing context and an explanation of the proposed research. In Chapter Two, I will explore the

literature related to nonprofit board diversity with attention to theory, elements of board composition, board procedure and models. Chapter Three will explain the methods used in this study including population of the selected sample, data collection procedures for the quantitative research, the survey questionnaire and interview questions, along with research questions for the study. Then, Chapter Four will present analysis and discussion of the quantitative findings from the survey responses that include the descriptive findings from the composition piece of the study and analysis of any evidence suggesting relationships between various independent variables and the dependent variable of percentage of board diversity. Chapter Five will summarize research findings, discuss limitations and lessons learned from conducting this study, and provide advice for practitioners and suggestions for scholars about future research into nonprofit board diversity.

CHAPTER TWO - LITERATURE REVIEW

Nonprofit organizations must earn the public trust, and one way to do that is by operating effectively to carry out their missions. The public wants nonprofit organizations to be effective and to serve people and communities well, and scholars want to determine what makes nonprofit organizations effective. One way to examine the puzzle of nonprofit board effectiveness is to understand board diversity – to look at who is actually governing these organizations.

Current State of Board Diversity Research

The bulk of research dealing with nonprofit board diversity has focused on basic composition studies. As interest in the topic expanded during the past decade, scholars began looking at process and board behaviors to glean why some boards are more diverse than others and to ask whether diversity matters in nonprofit governance and, if so, why. This has led to recent applications of various theories to try to better understand nonprofit board governance, as well as the development of models to explain the role of the board in nonprofit organizations. This review of literature will examine the current state of board diversity, including theories and models typically used in nonprofit governance research and the studies that are most closely aligned with the research questions for this study.

Although the literature about nonprofit board governance continues to grow, the understanding of general nonprofit governance and effectiveness remains burdened by the lack of connection between theory and empirical work (Ostrower and Stone, 2006, p. 612.) Given that researchers are challenged to make these connections, it is not surprising that the body of literature regarding specific aspects of governance, such as

diversity, is not well developed. Nonprofit board diversity remains a relatively new topic

of investigation and a review of literature reveals that despite a pattern of homogeneity on

nonprofit boards, there has been little research into details of board diversity, such as

attempting to identify why the pattern of homogeneity continues or what board

procedures lead to increased diversity (Fletcher, 1997; Ostrower & Stone, 2006; Wise &

Tschirhart, 2000). Despite scholarly interest in board diversity increasing during the past

decade, nonprofit board diversity remains a topic with much to be explored.

  Most of the extant work is descriptive and focuses on composition studies that

examine visible diversity and incorporate variables such as size and age of the

organization (Ostrower, 2007; Bradshaw et al., 1996; Carter et al., 2010). Although

research remains primarily focused on linking visible diversity to board characteristics,

such as organization size, age or revenue, researchers have begun widening the lens

through which they examine nonprofit governance to incorporate theories and

governance models in the study of board diversity. As theories have begun to be related

to nonprofit board diversity, scholars agree that 1) researchers cannot determine how

diversity affects nonprofit governance, but they believe board diversity is important to

nonprofit organizations and 2) there is a need to conduct more empirical work to build a

body of literature regarding diversity and nonprofit governance (Guo, Metelsky &

Bradshaw, 2014; Ostrower & Stone 2006).

  From the current evidence, scholars remain divided as to whether or not board

diversity has an impact on a nonprofit organization or a board's effectiveness: "Available

data indicate that board composition does have consequences for trustees, boards as a

whole, organizations and even the wider community. Much remains to be learned;

however, about the degree and natures of these consequences and the mechanisms through which they operate" (Ostrower & Stone, 2006, p. 614). Scholars articulate that board diversity is important for nonprofit organizations; however, they are less sure of how diversity affects board performance because the evidence is contradictory. Some evidence suggests that demographic diversity does not lead to greater effectiveness, more innovation or guaranteed representativeness (Gajewski, 2005; Kochan, Bezrukova, Ely, Jackson, Joshi, Jehn, Leonard, Levine & Thomas, 2003; Brown, 2002; O'Regan & Oster, 2005; Carter, et al., 2010; Gazley & Chang, 2010). Van der Walt's analysis found no empirical proof that "diversity makes a better board" (Van der Walt, 2003, p. 222-223), and recently Bernstein and Davidson (2012) reported "no positive direct paths between board diversity and performance, demonstrating that simply increasing board member diversity is insufficient, and in fact, may even be detrimental to board performance" (Bernstein & Davidson, 2012, p. 24).

Conversely, there is an overwhelming consensus in nonprofit governance literature that asserts boards do make a difference in organizations. Herman and Renz (1997) suggested "one of the most fundamental assertions of the normative literature on the governance and management of NPOs is that the performance of boards strongly influences the effectiveness of NPOs" (Herman & Renz, 1997, p. 196). More specifically, scholars have argued that the board composition is relevant to an organization's efficiency (Ostrower & Stone, 2006; Herman & Renz, 1999; van der Walt, 2003; Brown, 2002; Callen, 2003).

Furthermore, empirical evidence of the advantages of board diversity is building. Drawing from corporate and nonprofit board inclusion research, Bradshaw and Fredette

(2013) provide an argument for identified advantages of nonprofit board diversity. Citing thirteen studies, they note some advantages of diverse boards: "superior financial performance…, improved creativity and decision making at the group level…, increased responsiveness to community and clients (Siciliano, 1996); more effective executive leadership (Barta, Kleiner & Neumann, 2012; Perkins & Fields, 2010); and increased cultural sensitivity" (Bradshaw & Fredette, 2003, p. 1112). Benefits of diversity, such as those listed above, could result in improved governance, organizational effectiveness, and board leadership development and inclusion practices that attract and retain top-performing volunteer leaders in the nonprofit setting. These positive arguments for board diversity are complemented by corporate and nonprofit governance research regarding diversity of gender and expertise on boards (Lennon, 2013; Barta, 2012; Torchia et al., 2011; Huse & Solberg, 2006; Kochan et al., 2003; Bradshaw, Murray & Wolpin, 1996).

Such corporate board diversity research has an advantage because scholars can examine an agreed upon metric – the company's financial performance. How we have studied nonprofit governance and diversity's impact on boards and organizations is less clear due to the challenge of identifying one metric for nonprofit effectiveness. While some scholars focus on composition and board performance metrics such as attendance, giving percentages, fundraising results or program evaluations (Ostrower, 2007; Callen et al., 2003), others have chosen to examine diversity's impact on boards across subsectors (Alexander & Weiner, 1998; Fletcher, 1997; Bradshaw et al., 1992). Evidence is building that diversity plays a role in nonprofit board effectiveness, and in the search of a clear measurement for nonprofit governance effectiveness and diversity's role in it, scholars have looked to various theories to better understand governance.

<u>Nonprofit Governance Theories</u>

Given the lack of scholarly research related to nonprofit board diversity, the theories used to study it have been limited. Initially based in business theory, nonprofit governance research has begun to incorporate theories from other disciplines that are more aligned with the mission-based goals of the nonprofit sector. Understanding these general theories applied to nonprofit governance helps identify the role the board plays in governing the organization, and it can reveal why organizations rely on certain governance models and choose specific board procedures. This section will provide a foundation of basic nonprofit governance theory, and literature related to specific research questions will be covered in a subsequent section.

The literature regarding nonprofit board theory and models has evolved since the 1980s. Initially, the leading theory was borrowed from corporate governance research – agency theory, which was developed in Fama and Jensen's (1983) work on Separation of Ownership and Control. Agency theory assumes that the board has strict oversight into the operations and essentially exists to check the power of the executives leading the organization. However, that theory's effectiveness in the nonprofit sector has been questioned. One example is Miller's (2002) work on applying agency theory in the nonprofit sector that found agency theory is not a good fit because the relationship between a nonprofit board and staff is vastly different from the same relationship in the corporate sector. In the nonprofit sector, board members are charged with overseeing organizations that have different missions, metrics and revenue streams that are unfamiliar to those in the corporate sector. This unfamiliarity increases the nonprofit board's reliance on staff for management and leads to a trusting relationship in which the

board no longer serves as agent for the organization (Miller, 2002). Moreover, Miller found that the board members' definition of the relationship between the board and CEO determines how they monitor the organization and that without lack of clear performance metrics, the board members "reflect their personal or professional competencies rather than paying attention to measures that would indicate progress toward mission-related goals and initiatives" (Miller, 2002, p.429).

Agency theory itself tends to be insufficient in nonprofit governance, which is one rationale for why nonprofit organizations function with some blended form of governance models. Researchers have also examined stakeholder (Savage, Nix, Whitehead & Blair, 1991), stewardship (Van Puyvelde, Caers, Du Bois & Jegers, 2012; Caers et al., 2006; Sundaramurthy & Lewis, 2003), resource dependence (Miller, 2003), representation (Guo & Musso, 2007) and institutional (Miller, 2003) theories in the nonprofit setting, and there is much work yet to be done to find a theory that is best suited for application in nonprofit organizations. While each theory lends unique characteristics to the monitoring process, the stewardship theory creates particular challenges because of its roots in collaboration, trust, and the notion that "the agents' goals are perfectly aligned with those of the principal" (Van Puyvelde et al., 2012, p. 436; Sundaramurthy & Lewis, 2003). While researchers continue to seek a unique governance model for the nonprofit sector, mainly by experimenting with some hybrid forms of governance models, the differences between corporate and nonprofit governance become more apparent.

Despite Miller's work on the critical differences between the corporate and nonprofit board and staff relationships, the reliance on corporate literature is a consistent trend as many articles still reference broader corporate governance or use examples of

corporate boards to extrapolate information about nonprofit governance and diversity. Generally, scholars still rely on human resources research and the business case for diversity (Gajewski, 2005; Kochan et al., 2003; Singh et al., 2001; van der Walt & Ingley, 2003; Parris, Cowan & Huggett, 2006) frequently trying to disprove that case for diversity in favor of more palatable theories for diversity in the nonprofit sector relating to human capital or social capital (Weisinger & Salipante, 2005; Van der Walt & Ingley, 2003; Widmer, 1987). The business case for diversity can be more easily explained by bottom-line metrics and financial performance in corporate governance studies; however, nonprofit scholars gravitate toward justifying diversity related to human factors, such as social capital or making the best use of talent in the field, because the challenge of defining metrics for nonprofit organization effectiveness makes it more difficult to apply the business case to nonprofit boards.

Gajewski (2005) explored the concept of human capital by evaluating how the business case for diversity in a knowledge-based economy can affect nonprofit organizations. She claimed that organization value is increasingly based on "each employee's contributions and potential" and that "framing diversity as a means of increasing human and collective capital can lead to a competitive advantage" (Gajewski, 2005, p. 2, 4). She concluded that nonprofit organizations will be affected by diversity due to changing demographics and the fact that "donors and the public have always held charitable and public organizations to a higher standard…To the public, diversity in public and nonprofit organizations is 'the right thing to do" (Gajewski, 2005, p. 4). Despite the fact this author provided no evidence to support her claims that diversity is "the right thing to do" in the nonprofit sector, she made an interesting contribution by

suggesting the theory of human capital is one researchers could apply to study diversity in nonprofit governance. Since nonprofit boards will be confronted by changing demographics, scholars should reflect on how increasing human capital can positively impact board performance. The human capital perspective potentially could advance our diversity research efforts because it expands the topic from individual characteristics, such as race, gender etc. that are typically measured in nonprofit governance studies, to include concepts of innovation, teamwork, creativity, and effective staff management.

Other scholars suggest that it is important to understand board diversity in order for organizations to realize their social capital potential. Van der Walt and Ingley (2003) found that boards should consider merit when recruiting new members because the "social capital contributed collectively by their directors [can be] a strategic resource for their organizations" (Van der Walt & Ingley, 2003, p. 232). Individuals are comfortable being among peers, the practice of volunteer management demonstrates that behavior is common among volunteer service and fundraising solicitations. The ability to recruit high-performing, successful individuals to serve on a board attracts other members of a similar professional standing and, collectively, their expertise and credibility in the community can important resources for the organization. Moreover, it strongly suggests that understanding social capital on boards may allow nonprofit organizations to structure their norms and values to support interaction of board members from diverse backgrounds, which ultimately would increase diversity and influence board effectiveness.

This increased focus on developing nonprofit governance theory in the past decade has stimulated discussion about alternative theories such as resource dependence,

institutional, representation, and hybrid models for governance (Miller, 2003; Guo &

Musso, 2007; Yang & Konrad, 2011; Cornforth, 2014). More recently, nonprofit

scholarship has explored theories of Tocquevillian democracy and representation (Pitkin,

1967) by focusing on concepts of inclusion, representation and participation (Guo &

Musso 2007; Guo, Metelsky & Bradshaw 2014; Cornforth & Brown, 2014).

Incorporation of these democratic concepts attempts to reflect the participatory

nature of nonprofit organizations and provide a means to relate individual voice and

diversity of opinion to nonprofit governance. Such studies have been concerned with

whether the board is representative of the constituency the organization serves and the

community in which the organization functions. This notion that boards should represent

the clients an organization serves or the community in which it operates captures the

importance of relationships between the organizational leadership and its stakeholders.

Furthermore, Ben-Ner (1994) found that boards who represent key constituents signal

trustworthiness to the public. If nonprofit organizations are concerned with gaining

legitimacy in their communities and earning public trust, then concepts of representation

and diversity become more important for nonprofit governance.

It is common for boards not to be representative of the constituencies they serve;

however, Smith and Lipsky (1993) noted that boards typically represent the community

in which they operate. In contrast, Guo and Musso (2007) found this type of substantive

representation lacking in nonprofit organizations, citing Bolduc's (1980) work regarding

representation and legitimacy in neighborhood organizations and Cnaan's (1991)

research on the democracy of neighborhood representing organizations. Guo and Musso

suggested more research around substantive representation and diversity in nonprofit organizations in needed.

Two other primary theories emerged in nonprofit governance research as scholars sought to develop notions to capture the functioning of nonprofit boards. Resource dependency (Pfeffer & Salancik, 1978) was applied in the nonprofit sector assuming that the main reason nonprofit boards existed was to provide resources, both monetary and relational, to help sustain the organization. Miller also applied institutional theory and it was implied nonprofit boards functioned based on the norms and behaviors that had developed over time in the organization (Miller-Millesen, 2003). While each theory has some relevance in nonprofit sector operations, none of them adequately capture the role and dynamics of nonprofit governance completely.

Instead, the complexity of relationships in nonprofit governance has yet to be defined by a single theory. In Miller-Millesen's (2003) theory-based approach to understanding board governance, she clearly delineated the most common theories on board governance and concluded that no theory is complete for the nonprofit sector. Likewise, Herman and Renz (1999) argued that understanding nonprofit governance is multi-dimensional. This notion is further supported by Ruigrok, Peck, Tacheva, Grove, and Hu's (2006) research in the determinants and effects of nominating committees, upon which they concluded "that understanding different board roles and composition require a multi-theoretical approach, and that agency theory, resource-dependence theory and group effectiveness theory help to explain different aspects of board composition and effectiveness" (Ruigrok et al., 2006, p. 199).

Although nonprofit governance scholars are seeking to develop theories that accurately depict governance and diversity's role in it, at this point, scholars accept that a multi-theoretical or integrated theory approach is necessary to examine governance. I concur that an integrated theory approach is useful to understand governance, and this research will rely on theories of human capital, representation and resource development to explore composition, priorities for board processes and whether an executive director's perceptions about the organization's governance model may influence board diversity.

Nonprofit Governance Models

In order to investigate nonprofit board diversity, it is also important to understand the basic models of nonprofit governance. Based in these multiple theories of nonprofit governance discussed above, a few basic models have been developed. The first model, the corporate governance model, aligns with agency theory and is characterized by smaller boards, few committees, an emphasis on management oversight and professional representation (Alexander, Morlock & Gifford, 1988). A second model that has become more utilized in nonprofit governance is the philanthropic model which aligns with resource dependence theory and places emphasis on the board's role to secure resources to help the organization achieve its mission (Alexander, Morlock & Gifford, 1988; Weiner & Alexander, 1998; Miller-Millesen, 2003). The philanthropic model is characterized by larger boards, multiple committees and wider community representation. This model was especially embraced by arts and cultural institutions in the 1990s, which led to larger boards because leadership wanted to engage more people in the fundraising process (Bowen, 1994; Ostrower, 2002; Ostrower & Stone, 2006). Eventually, it was determined that these large boards, often with over 100 members, made it more difficult

to govern, and organizations began to utilize executive committees to manage the basic governance functions of organizations.

Out of necessity to execute multiple roles, nonprofit organizations will utilize some form of hybrid governance model. This behavior is consistent with the idea that nonprofit governance requires a multi-theoretical approach (Miller, 2002, Herman & Renz, 1999). Researchers have found that organizations employ a combination of the corporate and philanthropic models in their governance. Bradshaw, Hayday, Armstrong and Ryker (1998) found that other models such as the policy model, constituent/representative model and entrepreneurial model occasionally are combined with the philanthropic model to generate a model that addresses a particular organization's needs (Bradshaw et al., 1998). Hybrid models are typically most suited to nonprofit governance, but their uniqueness creates research challenges for those investigating governance and board diversity because the individual differences of how boards function make it more difficult to directly compare organizations.

While it is unlikely that executive directors and volunteer board members routinely discuss governance theory, their choices about the boards role and procedures are rooted in their understanding of why and how boards exist to help the organization. While the committee charged with board recruitment may think about composition from the perspective of working together, the executive director has the responsibility for selecting board members who will help fulfill the board's primary purpose. Hence, the executive director's perception of the how the board functions has the potential to influence board member selection. If a board's primary role is to secure financial resources for the organization, the organization would be relying on resource dependence

approach, defined as the ability "to acquire and maintain resources essential to organizational survival" (Miller-Millesen, 2003, p. 522). As Pfeffer & Salancik (1978) explained, resource dependence theory relates to a board helping the organization function within the constraints of its environment and, in this case of fundraising, board recruitment procedures would prioritize capacity to give or acquire gifts over other board characteristics. The characteristics the board values during the board recruitment process can reflect the theory attached to the board, without having an academic dialogue in the board meeting, and these choices can also, unintentionally, limit board diversity.

Literature Related to Research Questions

There is still much to be learned about diversity on nonprofit boards; however, there is a general consensus that board diversity is important in the nonprofit sector (Ostrower & Stone, 2006; Herman & Renz, 1999; van der Walt, 2003; Brown 2002; Callen, 2003; Bradshaw & Fredette 2013; Brown & Cornforth 2014; Barta, Kleiner & Neumann, 2012; Perkins & Fields, 2010). If we accept the argument that nonprofit boards benefit from diversity, then we must continue to examine how diversity impacts board effectiveness, whether or not representation on the board garners legitimacy in the community and how diversity impacts board member development and recruitment. Many of these intersections of diversity and nonprofit governance have yet to be explored, particularly whether or not specific board governance mechanisms influence board diversity. There are opportunities to investigate whether or not boards in diverse communities are more diverse, whether composition is influenced by governance mechanisms, how gender is related to leadership on boards, whether or not specific board

recruitment processes influence diversity on boards and whether an executive director's perception of the board's role will impact board diversity at an organization.

As scholars seek to identify direct links between board diversity and nonprofit organization effectiveness, we must recognize there is some urgency to studying it because demographic changes will soon force the sector to confront diversity. To date, board composition research indicates that Houston's nonprofit boards are already behind the population's demographic curve, and that gap will widen over the next few decades as Houston leads the immigration patterns of the United States by 30 years (Hu, 2014; United States Census Bureau American Fact Finder, 2014). The United States population is rapidly diversifying, and nonprofit boards will eventually no longer look like the ones of past that had a majority of white males leading them. Nonprofit organizations need to learn how to facilitate governance with more diverse volunteer leaders, who will bring with them equally diverse traditions and understanding of their governing role. Although this is a more recent concern for the nonprofit sector, the corporate sector became concerned with the decline in male talent to serve on corporate boards about 20 years ago (Burke, 1995). It will be important to understand how nonprofit organizations can adapt to these changing demographics. Will nonprofit boards and the senior organization leadership evolve so they are comprised of the increasingly diverse populations in which the nonprofit operates, as suggested by Reskin et al. (1999), Erhardt, et al. (2003) and Smith and Lipsky (1993) or will scholars and practitioners have to take action to prepare nonprofit organizations to successfully develop boards in the future?

Composition

Although researchers have yet to empirically prove how board composition affects the performance of nonprofit organizations, there is a general consensus among scholars that board composition is important to nonprofit organizations (Callen, 2003; Ostrower & Stone, 2006; Brown, 2002; Herman & Renz, 1999). O'Regan and Oster (2005) argued that there is "Little work in academic literature either modeling why personal characteristics should matter or documenting empirically that they do for either corporate or nonprofit boards…Yet there has been much concern over the lack of diversity of both for-profit and nonprofit boards, suggesting that the personal characteristics of board members are pertinent when composing a board" (O'Regan & Oster, 2005, p. 209). According to Houle (1997), composition is critical to the success of any board because it is the balance of human potential for the organization.

Yet, in the nonprofit sector where demand exceeds supply for board members, it is difficult to stay focused on the ideal objective to make the best use of human capital. As noted earlier, Ostrower found that "70 percent of nonprofits say it is difficult to find board members and 20 percent say it is very difficult" (The Urban Institute, 2007, p. 16). In this condition of scarcity, executive directors are focused on securing an adequate number of new board members, and the development staff is concerned about finding potential board members with capacity to support the organization. In the fundraising practice, it is generally perceived that finding qualified board members who have capacity and bring diversity to the organization is difficult, and that perception makes it important for organizations to have board recruitment processes in place that will lead to meeting human capital goals for diversity on the board.

The most common approach to board diversity research is to analyze the composition of various boards of directors. Ostrower and Stone (2006) have compiled the most complete survey of nonprofit board composition studies in their chapter "Governance: Research Trends, Gaps, and Future Prospects," in which they note that board composition is responsible for "much of the growth in the nonprofit board literature since 1987" (Ostrower & Stone, 2006. p. 613). In composition studies, researchers typically examine gender, age, race and ethnicity, professional expertise, educational background, or economic status. A review of the most current composition studies reveals a research trend that focuses on gender, directing less attention to race, education, profession or age (Ostrower & Stone, 2006; van der Walt, 2003). In this review, an equal number of articles focused on gender (Singh, 2001; Pitts, 2005; Constance-Huggins, 2003) and race (Fletcher, 1997; Brown, 2000; van der Walt& Ingley, 2003). However, O'Regan and Oster (2005) found "no systematic relationship between board personal demographics and performance," and offered a unique perspective to composition research by providing evidence that individual board member traits such as board tenure and experience serving on multiple boards are positively linked to board effectiveness (O'Reagan & Ostrower, 2005, p. 205). Unfortunately, close review of the data for tenure and multiple board service reveals that it is unclear if either of these traits could be causally linked to effective performance or if, instead, they are traits of high-performing board members. O'Regan and Oster acknowledge potential problems with drawing a causal link for these traits, but their empirical work is a unique contribution because it provides some evidence that individual traits are significant to nonprofit boards.

Board composition studies have relatively simple data collection given that board of directors lists are openly publicized by most nonprofit organizations. The difficulty lies in obtaining accurate information about the personal characteristics for each board member and deciding whether or not the organization staff can provide accurate information or if it is better to use self-reported information provided directly by the board members. Although scholars commonly utilize composition studies to study board diversity, the majority of this research only reports basic statistics providing board composition snapshots of the organizations chosen for study. Rarely do any of these studies draw significant conclusions from the board analysis. One exception is Abzug's (2004) research which evaluated six communities over a 60-year period. Some of Abzug's conclusions give empirical backing to common knowledge about boards that prescriptive works have suggested for years, such as noting that hospital and university boards seek members with more professional expertise than elite, social organizations like the Junior League (Abzug, 2004, p. 118). Despite existing homogeneity of white males serving on boards, Abzug's longitudinal study of boards revealed that board composition has yielded to social conditions over the years, for example more women and minorities serve on boards today than in the 1930s and that board prestige has decreased over time (Abzug, 2004, p. 120.) Additionally, Abzug's research argued that board composition is influenced by the culture of different regions and cities throughout the country (Abzug, 2004, p.118-119).

This study can use a composition analysis to take a snapshot of Houston's nonprofit board diversity and compare it to Ostrower's national diversity study. This snapshot will allow us establish a benchmark for levels of nonprofit board diversity in the

fourth largest city in the country and to learn if the level of nonprofit board diversity is similar to the rest of the country or if there are any findings that may be related to regional attitudes, such as women and minorities not serving in leadership roles. This piece of the study will also provide data related to Smith and Lipky's (1993) work that boards typically represent the community in which they operate and Reskin et al.'s (1999) assertion that boards naturally diversify as the population diversifies. Since Houston is the most diverse metro area in the United States, one would expect to see higher levels of diversity in nonprofit board composition than in a national sample. If not, there is reason to evaluate board processes to see if there are systematic problems that may be limiting board diversity.

With conditions of rapidly changing demographics in the general population and women surpassing men in the attainment of bachelor's degrees, according to research sponsored by the National Bureau of Economic Research (2006) by Golden, Katz and Kuziekmo, the discussion of gender in nonprofit leadership must be elevated to the same level of research about race and ethnicity, and the composition piece of this study will allow us to learn how women are serving on nonprofit boards in Houston.

Gender

Although women have been wildly influential in nonprofit sector activities for centuries, this was informal and due to them creating separate opportunities and structures that allowed them to create change (McCarthy, 2001). Contemporary women are serving in formal leadership roles, and they are increasingly assuming leadership roles across levels in the corporate and government sector (Eagly & Carli, 2003). Not surprisingly, much of what we know about gender related to governance stems from other

disciplines such as sociology, psychology and business. Women's leadership on

corporate boards has been extensively researched (Eagly& Chin, 2010) and, fortunately,

the study of gender differences in leadership, equal opportunity and management styles

from other disciplines and sectors informs our understanding of gender contributions on

nonprofit boards.

Research around gender in the nonprofit sector has attracted attention in the past

decade and, regarding governance research, "considerably more attention has been given

to gender than to ethic and racial diversity" (Ostrower and Stone, 2006, p. 614). Much

like general nonprofit board diversity research it has become accepted that the presence

of women on boards has an impact on the board's dynamics, and heterogeneous boards

are preferable to homogeneous ones (Torchia, Calabro & Huse, 2011). The foundation

for understanding women's roles on boards stems from disciplines such as sociology,

psychology and management, and corporate governance research has produced a generic

business case that excluding women is underutilizing talent. On the other hand, corporate

board research has illuminated some pitfalls of assuming one female can represent the

gender, which Huse (2009) refers to as essentialism, or tokenism where the sole minority

representative can be ignored and does not truly have a voice on the board (Kanter,

1977.) Research of mixed gender boards has indicated that women bring strengths to the

board particularly around innovation. Women are influencers on corporate boards, and

have more influence as representation increases (Elstad & Ladegard, 2012). Likewise,

Torchia et al. (2011) and Kramer, Konrad & Erkut (2006) tested the theory of tokenism

and found having a critical mass of at least 3 women on the board will produce increased

innovation at a firm, and nonprofit organizations will benefit from this work as women

are serving on most nonprofit boards. Regardless of the many positive findings related to women's leadership in the corporate sector, "there is no conclusive evidence that gender diversity affects board performance" (Elstad & Ladegard, 2012, p. 598). With even less research conducted on the role of women leading nonprofit boards, it becomes more important to investigate how women are leading in the nonprofit sector.

According to Ostrower's research for The Urban Institute's (2007) survey of Nonprofit Governance in the United States, 94% of nonprofit organizations include women and the average nonprofit board is comprised of 46% women (The Urban Institute, 2007, p. 19). Despite having such representation and gender balance on boards, nonprofit governance research has produced mixed evidence about how women influence nonprofit boards or organizational effectiveness. Having women on boards tends to have a negative association with fundraising and financial performance in nonprofit organizations (The Urban Institute, 2007). However, Bradshaw, Murray and Wolpin (1996) found that it is more likely for organizations that receive government funding to have women on the board and that there were more women on power-sharing boards. Likewise, Themudo (2009) found a "positive relationship between women on nonprofit boards and public funding for nonprofits" (Themudo, 2009, p.681). And, Lennon (2013) suggested that having more women on the board increases the likelihood that an organization will achieve its mission and that social capital allows women to succeed, so more women on a board would increase the likelihood of success.

Ostrower (2007) found that women are more likely to serve on boards where organizations have an annual budget of less than $100,000 and that the likelihood of women serving on boards drops by 20% if the organization has a budget of $40 million or

more. The same study indicated that women have less representation on boards of prestigious organizations, and that may be related to the CEO gender. Bradshaw, Murray and Wolpin (1996) found that nonprofits with female CEOS are more likely to have more female representation on their boards, and the Status of Women Study indicated the percentage of women holding the position of CEO in nonprofit organizations decreases to 30% or less in organizations of budgets of $10+ million (Lennon, 2013). Overall the findings demonstrate that is acceptable for women to serve on boards of small organizations that are more likely to have working boards, of organizations that primarily serve female clients and to serve on boards of cultural and educational institutions (BoardSource, 2011; Ostrower, 2007; Bradshaw et al., 1996.)

While there is enough evidence that gender is important in nonprofit board composition, there have been no studies discovered that evaluate how many women are serving on the executive committees of nonprofit boards. This study aims to create a benchmark for what percentage of Houston board members are women and to expand the literature by studying the leadership function women are playing on nonprofit boards today. The data should reveal what percentage of nonprofit board members are women and how many of them are serving in leadership roles, defined as holding an executive committee role or officer position, versus general board seats.

Board Processes

In addition to looking at types of diversity, scholars are beginning address the determinants of board diversity, and some studies have begun to examine the board selection process effects on diversity (The Urban Institute, 2007; Corbett, 2007; Brown, 2002; Bradshaw et al., 1992). Despite the increased interest in governance research in

the past decade, there has not been a concentration of work around formal processes of board selection, and Bradshaw and Fredette (2013) concluded "there has been limited investigation of formalization and its impact on diversity" (Bradshaw & Fredette, 2013, p. 1115).

The majority of literature on board member selection is descriptive and written by practitioners, which is partially due to practitioner demand for how to solve the problem of identifying and recruiting good board members. Organizations are searching for ways to easily identify board members, and adding a layer of diversity to the recruitment requirements increases the difficulty to recruit board members with experience and capacity to financially support the organization. Rather than focusing on the level of diversity, it would be wiser for organizations to identify recruitment processes that align with their desired recruiting objectives because "board-approved processes that organizations have in place shape board selection and composition" (Corbett, 2007, p. 33). In his assessment of 100 nonprofit organizations' by-laws, he determined that detailed board procedures were more important in the recruiting process than having a board committee devoted to nominating board members that operates with no guidance or accountability in the selection process (Corbett, 2007).

Furthermore, Bernstein and Davidson evaluated board processes in regard to diversity and found that recruiting diverse board members remains an important, but insufficient, step in ensuring board diversity. Overall, their findings suggest that nonprofit board diversity is reliant upon a commitment to inclusion and the organization creating a culture that appreciates and sustains diversity; however, that was secondary to "recruiting of ethnic and racially diverse board members" and that "inclusive policies and

practices still serve as an entry point" (Bernstein & Davidson, 2012 p. 26, 29). Their

findings build on the earlier work regarding inclusion by Constance-Huggins, 2003;

Singh, 2001; Roberson, 2006; Brown, 2002; yet, they do not link inclusion to the

practical aspects of nonprofit board selection, such as where the responsibility for

candidate identification lies, name and responsibilities of the committee responsible for

board recruitment, and whether or not organizations are employing best practice tools to

identify needs in its board composition.

Over the past few years, the practitioner literature and common practice has been

moving away from the use of a named nominating committee to a broader term of

governance committee which has broader responsibility for the board's development

(Joyaux, 2011; Lysakowski, 2012; Rosenblatt, 2003). The governance committee

assumes responsibility for board recruitment, orientation, training and annual

assessments, and this committee's work is where the processes around diversity and

inclusion should be outlined for the board. Having a governance committee that is

focused on board development with year round responsibilities is a significant shift from

the role of the nominating committee that is only responsible for one task, and it will be

interesting to see whether organizations that have committed to a more comprehensive

approach to board development have a higher percentage of diversity on their boards.

Executive Director's Role in Board Member Selection

The topic of board-staff dynamics has received attention in nonprofit governance

literature since the 1990s, although much of the work is prescriptive. The research tends

to focus on the relationship between the board and the nonprofit executive director

(Herman & Renz, 1997), with an emphasis on definition of roles of the board and staff

(Bradshaw et al., 1992) differing perspectives of the organization and the importance of board members and staff having a shared understanding of the organization's goals to have impact and more effective fundraising efforts (Seiler & Temple, 1994). There have also been studies to examine the impact of the board chair on nonprofit organizations, and it is accepted that the chair and CEO relationship is critical to the organization (Harrison & Murray, 2012; Herman & Heimovics, 2005; Wertheimer, 2007). Bradshaw, Murray and Wolpin (1992) noted "avoidance of conflict between the board and staff" is aligned with the normative literature around this topic (Bradshaw, Murray & Wolpin, 1992, p. 245), and the literature largely remains focused on how to ensure there is a strong relationship between the executive director and the board.

However, the issue of board-staff relations should extend well beyond good relations. The board-staff relationship remains relevant because board members, frequently, expect the staff to assume leadership of the organization. While board members are technically volunteer leaders of nonprofit organizations who typically care deeply about the organization's mission and may understand basic nonprofit functions like risk management and finance, they rely heavily on the executive staff to execute many board responsibilities such as filtering information, establishing agendas and the responsibility for overall board development, which includes board member selection and recruitment (Hayden, 2006).

While basic research supports the influence of positive board and staff relationships, there has been little attention to the roles that staff members play in nonprofit board selection or the impact of governance models on nonprofit board governance. Bradshaw (2009) suggested that boards "are responsible for consciously

reflecting on their governance configurations and making strategic choices about their alignment," the role of staff supporting that has not been explored (Bradshaw, 2009, p.65). The reality of nonprofit governance is that board members are not as engaged in the governance configuration and board selection process as much as researchers suggest they are. In many cases, and especially at prestigious organizations, the ultimate responsibility for nomination and identifying prospective board members begins in the fundraising office and rests with the staff leadership, and there is a gap in research regarding the executive directors' role in this process and how the ED's perception of the board's role and the organization's governance model could impact recruitment.

Robinson (2001) argued that the governance model and functioning will differ at every organization but emphasizes how critical the role of cultivation is for board recruitment and that the executive director has responsibility for cultivation and recruitment. If executive directors and development staff are being charged with the responsibility of board recruitment, then the executive directors' perceptions of the boards' role and governance model of the organization will surely influence the type of individuals who are recruited to serve on the board. The executive director has an interest in securing board members who will carry out the primary responsibility of the board; therefore, the executive director's perception of the board's role is crucial to understanding desired characteristics of potential board members. Prescriptive work readily recognizes the staff's role in selecting board members; yet, scholarly work has not focused on how the executive directors' perceptions of the board governance model – the rationale for the primary governance role the board plays in the organization – could potentially influence recruitment, and ultimately, diversity of boards. This study will

give some insight into whether or not there is a relationship between the executive
director's perception of the organization's governance model and the percentage of board
diversity at the organization.

<u>Consensus Emerges</u>

Although nonprofit board diversity has only recently become a topic of
investigation, scholars have agreed that: 1) National demographic changes, with an
increasingly diverse population, mean nonprofit organizations are going to have to face
the issue of board diversity; 2) Researchers cannot determine how diversity affects
nonprofit governance, but they believe board diversity is important to nonprofit
organizations; and 3) There is a need to conduct more empirical work to build a body of
literature regarding diversity and nonprofit governance.

The emerging material regarding diversity's impact on nonprofit boards is for
governance scholars at this point in its development because there is not enough well-
developed literature for a precise understanding of how diversity impacts nonprofit
boards. More work has focused on visible diversity than process or any micro issues that
would yield practical knowledge organizations could implement to increase diversity on
their boards. Specifically, we know that gender receives more attention than racial
diversity (Ostrower and Stone, 2006), that inclusion practices are important for sustaining
diversity (Bernstein & Davidson, 2012; Brown, 2002). Additionally, the existing
research regarding the role of diversity on boards is further complicated by the
inconclusive work and definition of nonprofit governance effectiveness. The sum of
these challenges reveals much opportunity to better understand nonprofit board diversity

and to identify some practical steps that may help organizations prepare for increasing

diversity of their board leadership in the future.

Research Gaps and Future Opportunities

While scholars seem to agree that diversity is important to nonprofit boards, there

are gaps in nonprofit governance research that can be explored to help identify the

processes and behaviors that lead to boards with increased diversity. Basic board

composition studies alone are not persuasive because they lack the depth required to

understand board functioning; they must incorporate some process or behavior to identify

linkages between those variables and the level of diversity in organizations. While board

composition studies make up the majority of research regarding nonprofit diversity, there

are opportunities to incorporate work to layer board and staff perceptions with basic

demographic information to try and identify clear trends between diversity and board

development behavior. For example, researchers can identify the board's perception of

its primary function to support the organization and examine characteristics that are

valued in the recruitment process and diversity ratio of the organization. Similarly, this

exercise can be conducted with the staff to see if their perceptions of the governing model

lead them to prioritize different characteristics for board recruitment and to learn if,

consequently, that affects the diversity of the board. This research study will use

composition to establish a benchmark of board diversity and then incorporate variables

such as process and executive director perceptions to add to exiting literature.

Additionally, there are opportunities to examine some demographic data more

closely, especially traits that have not received as much scholarly attention such as age,

tenure, minority ethnic groups, education, and economic position in the board room.

There has been little discovered about how individuals' backgrounds and experiences influence their work on boards, and given the literature's support of values playing a crucial role in individual board behavior, it seems that this is an area to be further explored.

Beyond board composition, the research field is wide open. There is particularly a need for researchers to further evaluate how diversity affects board room dynamics. For example, van der Walt and Ingley (2003) provided a thorough literature review of the gender diversity and suggested that the presence of women in the board room may change the board dynamics. Although board dynamics is outside the scope of this study, it is one reason why it is important to explore how women are serving on boards – to see if they are leading them or serving in roles of lesser responsibility. This research will examine the gender composition of nonprofit executive committees to collect data about how women are leading nonprofit boards.

Additionally, there are opportunities to study individual board member attitudes to discover the motivation behind having diversity on nonprofit boards. For example, does a diverse board align with the organization's values and strategies for resource development or is an issue of political correctness, social expectations or and "tokenism?" (van der Walt and Ingley, 2003, p. 225) This study does not focus on tokenism; however, in its examination of board composition it may uncover such a trend. If scholars compare diverse boards at a micro level and uncover what each member contributes to the board, it may be possible to identify how diversity can alter board behavior, which would add to our overarching understanding of board effectiveness.

Board member recruitment and succession are challenging issues for most nonprofit boards and, as current board members age and are replaced by members of an increasingly diverse population, understanding diversity on boards of directors may become critical to a nonprofit organization's ability to recruit board members. Kochan et al. recalled literature that demonstrates that "diversity, if unattended, is likely to have an adverse effect on group processes, such as communications, conflict, and cohesion (Williams & O'Reily, 1998). More specifically, diversity in a work group can produce lower cohesion and miscommunication among group members, which can lead to conflict (Jehn, 1995)" (Kochan, 2003, p. 6). The basic work of understanding success indicators related to diversity shows that nonprofit executives will have much to learn to help recruit and retain diverse boards in the future (Berstein & Davidson, 2012).

Gitin (2001) suggested that boards must begin recruiting minorities by first looking internally to examine their cultural values and their attitudes, and offers suggestions for organizations to implement diversity action plans. She argues that diversity "requires a long-term commitment…Diversity must be included in mission statements, board materials, and staff-hiring announcements. Ongoing cultural competence assessment, training, and evaluation are essential to creating change. Diversity values must be claimed… and practiced in every aspect of the organization," (Gitin, 2001, p. 87-88). Gitin's approach, although prescriptive, is a unique contribution because few diversity studies are moving beyond quantitative information to investigate board member culture and attitudes, which are best captured via qualitative research. However uncomfortable or difficult it may be to research, scholars have a responsibility to invest the time and effort in qualitative research to add critical dimensions to our

understanding of nonprofit board diversity, and there are numerous opportunities for research of this type.

Opportunities also exist to apply multidisciplinary theories to the study of diversity in nonprofit governance. For example, the human capital perspective introduces traits that could potentially be developed as measures of nonprofit board effectiveness. Scholars could inquire about cooperation, innovation, and creativity in board activities to measure effectiveness. Additionally, this research would benefit from utilization of all available research methods, particularly the use of qualitative field work and longitudinal studies.

Significance of this Research

Wise and Tschirhart (2000) challenged public affairs scholars to undertake the study of diversity in nonprofit organizations seriously, but research has not increased dramatically since their charge (Wise & Tschirhart , 2000, p. 392-293). Instead, as described in this chapter, it seems the research regarding diversity and nonprofit boards has divided into two groups: 1) those interested in investigating diversity to better serve the constituents and 2) those who are purely interested in the business efficacy of boards.

We study board governance because we want to find ways to ensure that nonprofit organizations operate effectively to serve our communities. A review of literature suggests that organizations with strong boards are more effective based on metrics of fundraising and service provision, and prescriptive work supports the notion that healthy organizations have strong boards. By investigating slices of board governance such as composition, recruitment procedures and governance models, scholars may begin to identify some standards of measurement for what variables affect

board diversity. Understanding how to increase diversity may then lead to paths of investigation that will help develop literature that formally links diversity to board effectiveness.

Even if there is little agreement about how to study diversity on nonprofit boards, the literature suggests that boards make a difference in nonprofit organization effectiveness. Herman and Renz (1999) posit that nonprofit effectiveness is multidimensional and can never be reduced to a single measure. From this review of literature one can conclude that the single measurement of counting visible diversity on boards cannot contribute much toward the understanding of how diversity impacts governance effectiveness. When examining composition, scholars need to incorporate elements such as gender dynamics, board and staff division of responsibility, board process and governance models. This research will begin to explore whether a few elements of board governance that have not received attention – specific aspects of the board recruiting process, women's leadership roles on boards and the executive director's perception of the board's governance model – are related to board diversity.

The corporate sector has taken a slight lead with concern for diversity and drawing from wider talent pools since the 1980s, especially concerning research on how gender affects company financial performance (Huse, 2006). Yet, their boards are still overwhelming represented by white men. In contrast, the nonprofit sector has directed focus to diversity of leadership in the past decade, despite the fact that the nonprofit sector is addressing some of the most challenging issues in society. One would think that the enormity of some of the challenges the nonprofit sector is facing would encourage inclusion of all talent; yet, nonprofit boards also remain dominated by Caucasian males

over 60 years old. As current board members and executive directors retire from service, over the next 10 years, there will be a challenge to fill all nonprofit leadership roles because the graying leadership of the nonprofit sector will be replaced by members of the most diverse population the United States has seen.

This wave of diversity will not recede. The census data is clear that the United States' population, as a whole, is becoming more diverse; therefore, it means that to be successful nonprofit organizations must figure out how to recruit and manage more diverse board leaders in the next ten to fifteen years. It will be necessary to develop a better understanding of how boards can become more diverse to mirror their demographically changing communities. Scholars should also inquire more about the board recruitment process and board structures that can lead to inclusive boards in order to avoid the pitfalls of tokenism and not providing meaningful engagement for all board members. It will also be helpful to learn whether, with the professionalism of the nonprofit sector, board recruitment is shifting from the board to a staff responsibility. If the nonprofit staff is carrying the responsibility for board recruitment, then it would be wise to understand if the executive directors' perception of the governance model and role of the board influences the types of individuals they identify and recruit for board service at their organizations. Trying to understand board structure and recruitment, and how it intersects with the staff expectations of the board role, could yield specific, practical procedures that can be further tested.

As the United States population continues to diversify in the next two decades, to reach the level of diversity that currently exists in Houston, nonprofit organizations will need to address diversity among its leadership. This research seeks to advance the

understanding of whether board diversity is higher in diverse communities, women's roles in nonprofit board leadership, recruitment procedures that may attract diverse members to boards and how staff members and their understanding of governance models might influence board diversity. Understanding board diversity and how to capture the talents and expertise of all types of individuals, especially those who may not have a tradition of board service, will be advantageous to those charged with building, and leading, boards in the future.

CHAPTER THREE - METHODS

By exploring nonprofit governance diversity in a sample limited to the most ethnically diverse city in the nation, this research was designed to learn more about diversity on nonprofit boards, if there is a relationship between board procedures and structure related to board member selection and board diversity, and whether an executive director's perceptions of the board's role and governance model are related to board diversity. The study utilized survey research to attempt to reach 712 executive directors/chief executive officers for a traditional examination of board composition to understand the current state of nonprofit board diversity in the sample city – Houston, Texas – by collecting data regarding ethnicity, gender, age and professional diversity on Houston boards. It also produced a benchmark for the current nonprofit governance environment in Houston in which board composition can be compared to a national study of nonprofit board governance Ostrower conducted in 2007 and the 2012 BoardSource governance survey and to test whether, in a snapshot, nonprofit board leadership is more diverse in a city with a diverse population.

Secondly, the study explored whether board member recruiting procedures and committee structure influence the level of board diversity by inquiring about the procedures and structure around board member recruitment in organizations. The study also solicited responses regarding diversity as a topic of board conversation and whether or not the executive director and board believe diversity is an important issue for the organization. Finally, the study attempted to identify whether an executive director's perceptions of the board's role and governance model is related to board member recruitment and board diversity at the organization. This chapter explains the methods

chosen for this study including a review of methods used in prior governance and survey research, sample selection, instrumentation, plans for data analysis and a discussion regarding validity, reliability and potential limitations of the study.

Methods

The current research regarding diversity of nonprofit boards is dominated by quantitative work, largely due to the fact that a majority of studies are evaluating board composition which lends itself to basic statistical analysis. A common research strategy for studying board diversity is to evaluate board composition along the lines of race and ethnicity, gender and, occasionally, age, profession or experience are included as variables. Much of this data is easily accessible and researchers collect information from databases such as GuideStar, regulatory filings, or local databases such as Donor Edge in Kansas City, or DonorHouston, in Houston, where boards are profiled with these diversity statistics.

Another common, and more accurate, collection method is to directly contact organizations because the researcher can gain more detailed and historical information by working directly with the organization staff and using board minutes. For example, Abzug (2004) used historical board listings in her community analysis, while Bangs and Constance-Huggins (2003) contacted organizations directly to obtain demographic data, including education level and profession to study boards in Allegheny County, Pennsylvania. Other researchers have successfully employed this direct method of data collection by surveying organization staff or the board members. For example, Callen (2003) surveyed organization staff, received a 26% response rate and, most importantly, learned that the respondents were typically the executive director or the corporate

secretary because "no one else had the data" (Callen, 2003, p. 500). Callen's study helped clarify that governance data is most often held by the organization's senior staff, which supports the involvement of executive directors in governance research inquiry.

Additionally, surveying the organizations' executive directors and/or board members is the second most frequently utilized data collection method, behind using databases. There is a trend to attempt to increase the board member response rate by offering shorter surveys and asking the staff to provide demographic details about the organizations (Brown, 2002), although there is no evidence supporting that either of these survey techniques increase response rates among this audience. The studies in this review of literature had response rates ranging from 18-40%. O'Regan and Oster (2005) achieved one of the highest response rates, 40%, by surveying nonprofit executive directors and asking them to distribute surveys to their board members.

The research strategy employed for investigating boards varies between focusing on communities or regions (Abzug, 2004; Fletcher, 1997; Pitts, 2005; Constance-Huggins, 2003; Weisenger, 2005; Weisenger & Salipante, 2005) and focusing on organizations (Brown, 2002; Callen, 2003; Kochan et al., 2003; Singh, 2001; Roberson, 2006; O'Regan & Oster, 2005). These strategies were divided in this review of literature; however, the most commonly used strategy was to evaluate and compare organizations within a limited geographic region. Abzug (2004), Brown (2002), and Weisenger (2005) compared organizations from different communities – a strategy that significantly complicates the factors required to study attitudes about diversity by introducing cultural variations in different communities.

Despite good intentions to produce quantitative work to better understand diversity in nonprofit board governance, much remains to be learned because the majority of the studies are limited to descriptive statistics of visible diversity with a few exceptions using multivariate analysis with variables regarding board policies (Callen, 2003; O'Regan & Oster, 2005; Roberson, 2006; Bernstein 2012). While quantitative methods lend themselves to practical designs, the exclusion of variables beyond counting visible diversity results in an incomplete understanding of the governing environment. Therefore, researchers have realized that collecting broader data is advantageous when trying to understand nonprofit board governance (Huse & Solberg, 2006; Miller, 2002). In this study, the researcher has introduced questions designed to learn more about the procedures used in the board member selection process and the executive directors' and boards' attitude toward the importance of board diversity for the organization. There are various methods that will allow researchers to capture such data.

From a review of literature, the main limitations of studying nonprofit governance continue to be access to board members and executive directors, relatively low response rates and self-reporting bias, which is of particular concern when investigating sensitive topics such as personal attitudes towards diversity. The research continues to be limited because there is still much to learn about how to produce sound, empirical research regarding diversity and nonprofit governance. Wise and Tschirhart's (2000) evaluation of diversity research for nonprofit organizations claimed that the lack of consistent findings and longitudinal studies result in poor research quality (Wise and Tschirhart, 2000, p. 392).

One way to collect data regarding recruitment processes and individual perceptions regarding diversity is to utilize qualitative methods by conducting interviews with individual board members and executive directors, and another is to conduct field studies. However, each of these methods has limitations that make these research options less appealing and impractical for a city-wide study of 712 organizations. First, these methods are better suited for smaller studies that are focusing on depth of response for questions, rather than for a study designed to examine hundreds of nonprofit organizations to compare to a national study. Aside from the aforementioned difficultly for researchers to gain access to board members for interviews and to receive approval to observe board meetings, there is another research challenge. Once researchers are granted access to individual board members for interviews or allowed inside the organization for field work, they still must guard against intentional disruptions in their work such as executive directors and boards collaborating on responses to manage the organization's reputation instead of providing candid responses (Weisenger, 2005). Given the impracticality of these methods to collect data from hundreds of organizations, it became apparent that quantitative methods may be best suited to achieve the research objectives in this study – for now and to replicated in the future for longitudinal work.

A goal of this study is to collect a snapshot of Houston governance data from multiple executive directors that can be compared to national averages, and the results will also serve as a baseline for longitudinal studies. It will be important to revisit these questions overtime to isolate variables and observe changes in nonprofit board diversity in Houston organizations. Given those research challenges, survey research appears to be the quantitative method best suited for this study because "surveys have people answer

questions so as to develop quantitative descriptions; usually a sample of people are

interviewed, with the intention of generalizing findings to a larger population"

(Weisberg, 2005, p. 6). By the 1940s, survey research was identified as a method that

allowed researchers to collect data from a sample, overtime, by reissuing questions and

generalizing result to the public to the public (Weisberg, 2005, p. 7). Survey research

will meet the goals of collecting data from a sample of Houston area nonprofits,

continuity for collecting longitudinal data, plus it will allow for comparison studies if

researchers want to replicate this study in other metropolitan statistical areas.

Like other methods, survey research is not without its limitations. A challenge

with survey research is that many authors neglect to acknowledge any bias in the design

or interviewer bias. Roberson took care to acknowledge these limitations in her work

regarding the terms diversity and inclusion by specifically noting the fact that researchers

defined two key terms that could have influenced respondents (Roberson, 2006, p. 232).

Weisberg carefully discussed aspects of interviewer bias and noted "some researchers

prefer self-administered surveys" because that eliminates interviewer bias, limiting bias

to the questionnaire (Weisberg, 2006, p. 57). Presser, Rothgeb, Couper, Lessler, Martin,

Martin & Singer (2004) compiled methods for designing and testing self-administered

and computer administered questionnaires that help limit bias and error in the data

collection process itself, which prove beneficial in the survey design and testing phase.

Another common challenge is self-reporting bias; yet, there are strategies to reduce this

bias in survey administration. For example, "self-administered questionnaires give fewer

social desirability effects than interviewer- administered surveys" (Weisberg, 2006, p.

86); however, researchers must be aware of how self-reporting bias may impact the data they are analyzing.

Given the quantity of board composition studies that have already been conducted, a survey that collects quantitative data regarding diversity will allow for comparisons to other composition studies. Also, the newly developed questions that address board procedure, the perceived importance of diversity on boards and the executive directors' perceptions of board governance will be able to be tested with other populations.

After studying the methods used to research diversity in nonprofit governance, the researcher determined that using a quantitative study by deploying an electronic survey to directly contact executive directors/CEOs of nonprofit organizations would be the most effective method for this study. Callen's (2003) work demonstrated that executive directors are most likely to have the data regarding board composition, process and attitudes. That research point combined with the fact this survey is designed to examine the executive director's perceptions and possible influence on diversity led to the decision to survey executive directors. An electronic survey was chosen because it was an efficient way to capture data from 712 organizations. Another benefit of electronic surveys is that they allow researchers to collect data from the organization and to include pre-coded information about the organizations that can be obtained from sources such as GuideStar, which reduces the number of questions the respondent needs to answer. For example, information such as the organization subsector, annual revenue, founding date, and address can be pre-coded in the survey to reduce errors of self-reporting and ensure consistency in how the data is coded. This study collected quantitative data and

combined it with pre-coded information listed above, and it also incorporated questions about behavior and perceptions that may influence board diversity that have not been included in nonprofit diversity research to date. Finally, the researcher used the tested sample selection process of studying a sample that is restricted to a limited geographic region.

<u>Sample Selection</u>

To explore questions of composition, board process and the executive director's perception of the governance model, the researcher chose to study a community with a diverse population. A selected area sample of nonprofit organizations in the Greater Houston metro area was chosen for this study about nonprofit board diversity because the Houston metro area is leading the country in demographic trends, according to the United States Census Bureau. The Texas population increased more than any other state in the past decade, its demographics are rapidly changing, particularly due to a growing Latino population, and there is no longer a majority race in the city (Hu, 2013). As described in Chapter One, Houston is the most diverse city in the country as of 2012 (Emerson et al., 2012; Stanglin, 2012), and the US2010 Project concurred with these demographic findings. Since 1990, Houston has seen a dramatic demographic shift from having a majority Caucasian population to Caucasians representing fewer than 50% of the population, becoming a majority-minority city (Gates, 2012). And, it is expected that the rest of the country will mirror Houston's demographics in the next 20 years. Michael Emerson, a Kinder Fellow at the Rice University Kinder Institute, suggested that Houston's ethnic diversity and immigration flows precede that of Texas by 10-15 years and is 30 years ahead of the United States (Hu, 2014). Therefore, the researcher chose to

study a community that is at the forefront of diversity trends to learn what we can about

nonprofit board diversity so it can be applied in other areas as the demographics change

in the next 10-20 years.

The selected area sample was pulled from the GuideStar database in 2014, by

searching for all greater Houston metropolitan area 501(3) c organizations. That initial

sample yielded more than 17,000 nonprofit organizations in the greater Houston

metropolitan area. The researcher sorted the organizations based on size of the

organization's annual revenue and chose to eliminate all nonprofit organizations

reporting less than $249,999 annual revenue from this sample because smaller

organizations are less likely to have paid staff and structured boards. Despite the fact that

smaller organizations make up a majority share of the Houston nonprofit market, they do

not meet the requirements for inclusion in this particular study. The remaining 1,106

identified nonprofit organizations with annual revenue of $250,000 or more were sorted

into annual revenue categories in Table 1.

TABLE 1: Houston Area Nonprofit Organizations Sorted by Revenue

Annual Revenue as Reported in GuideStar	# of Greater Houston Area Nonprofit Organizations	Percent of total Greater Houston Area Nonprofit Organizations > $250,000 revenue
$5 million +	142	13%
$2.5million – 4.99 million	104	9%
$1 million – 2.99 million	168	15%
$500,000 – 999,999	313	28%
$250,000 – 499,999	379	34%

Of these selected 1,106 organizations, 175 of them had tax exempt status revoked, and

another 219 of them had no viable contact information, which left 712 organizations (or

64% of the total number of possible organizations with budgets of $250,000+) as subjects

for this study's sample. The 712 nonprofit organizations were segmented by annual

revenue categories, as noted in Table 2.

TABLE 2: Contactable Houston Area Nonprofit Organizations Sorted by Revenue

Annual Revenue as Reported in GuideStar	# of Greater Houston Area Nonprofit Organizations	Percent of contactable Greater Houston Area Nonprofit Organizations > $250,000 revenue
$5 million +	124	17%
$2.5million – 4.99 million	95	13%
$1 million – 2.99 million	132	19%
$500,000 – 999,999	191	27%
$250,000 – 499,999	170	24%

Although the selected sample did not yield an exact percentage representation of

the overall greater Houston nonprofit market, the number of organizations in the top four

revenue categories fell within a few percent of the overall market share and followed a

similar pattern to the overall Houston nonprofit market, as shown in Figure 1. As the

researcher anticipated, organizations with higher annual revenue were more likely to be

in operation and able to be contacted; whereas, the organizations in the category with the

lowest annual revenue were less likely to be in operation and able to be contacted. The

contactable sample for organizations with annual revenue of $250,000 - $499,999 was ten

percent below the Houston market.

FIGURE 1: Contactable Houston Nonprofits Compared to the Houston Nonprofit Market
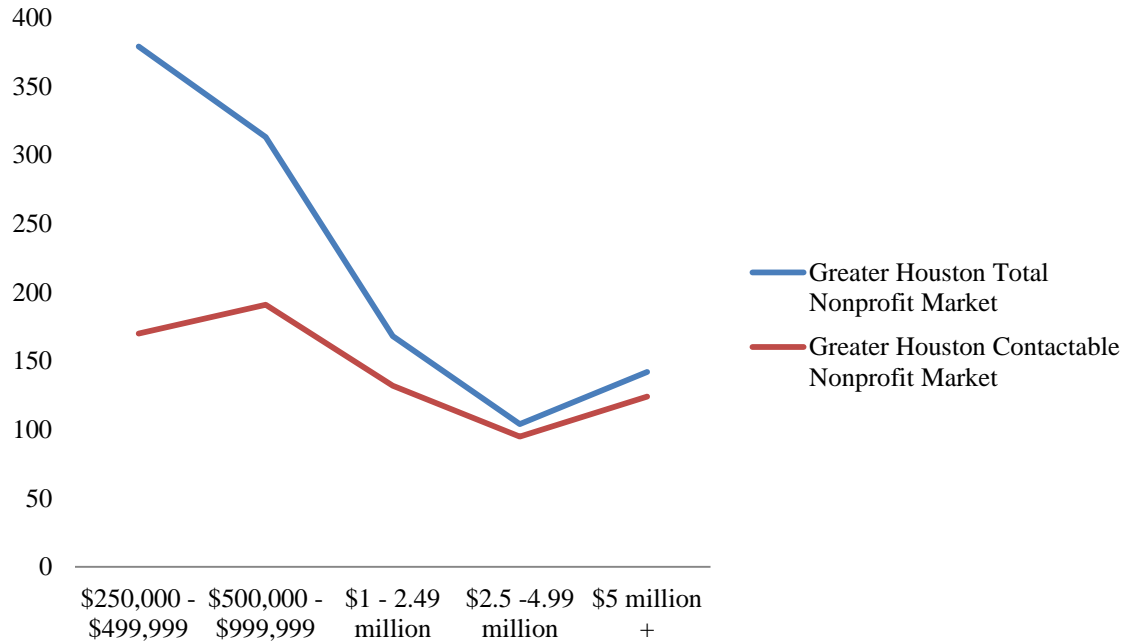
It appeared that a quantitative methods model would be advantageous in this type

of study because it allows for use of the survey research to try and identify relationships

between variables. Surveying the executive directors electronically allowed the

researcher to examine their responses with pre-coded data about size of organization, age

of institution as well as by subsector, using the following subsector breakdown: arts and

culture, education, healthcare, human services, environmental, and religious.

Instrumentation

For this study, the researcher examined various instruments that were previously

used in board governance research. Some composition questions that have been used in

existing instruments were used for this study, as well as some questions that could be used with slight modification from Ostrower's 2007 research and the 2011BoardSource governance research questionnaire. The remaining questions that address new topics in governance research were designed by the researcher, and the complete survey instrument was pretested with 15 nonprofit executive directors in the Greater Houston area, whose organization report annual revenue of $250,000 or more. These pretest survey respondents reported that the survey questions were clear and that the instrument was easy to navigate; therefore, no changes were made to the survey instrument before it was deployed.

Procedures

Given the nature of questions regarding details of board composition and procedures, the survey respondents would benefit from having access to their organizations' information when completing the survey. According to Weisberg, "self-administered questionnaires are particularly useful when respondents need to check their records in order to answer detailed questions," (Weisberg, 2005, p. 31). In all communications regarding this study, the subjects were instructed that having a list of their current board members on hand would facilitate the survey process.

Validity and Reliability

The survey instrument used selected questions from Ostrower's 2007 research *Nonprofit Governance in the United States: Findings on Performance and Accountability from the First National Representative Study* for composition benchmarking and comparison of the Houston data to national data. Table 3 lists the questions that will be benchmarked with Ostrower's national study:

TABLE 3: Survey Questions Benchmarked Against Ostrower's National Study

Question #	Question
2	Please indicate the number of your board members who are: ___ # of Hispanic/Latino board ___ # of White (non-Hispanic) ___ # African-American or Black (non-Hispanic) ___ Other
3	How many of your total board members are: ___ Men ___ Women
5	Please estimate the number of board members in the following age groups: (Your best guess is fine). ___ Under 35 ___ 36-50 ___ 51-65 ___ 66 or older
6	How many members of your board have a professional background or expertise in the following functions: (If zero, please enter "0") ___ The organization's field of activity (the programs and services it provides) ___ General Management ___ Law ___ Finance ___ Fundraising
10	How much influence does each of the following people have in the selection of new board members? No influence Not much Some Strong N/A Board Committee Board Chair or President Other Board Members Executive Director/CEO Chief Development Officer Other Staff Organization's Member or Clients
11	How difficult would you say it is to find qualified people to serve on the board? ___ Not at all difficult ___ Not too difficult ___ Somewhat difficult ___ Very difficult

12	In the past two years, how important was each of the following in the selection of new board members:
	Not at all important Not too Somewhat Very Ability to donate or fundraise Business or financial skills Knowledge of the organization's mission area Previous volunteer work for the organization Willingness to give time to the organization Members in group served by the organization Reputation in the community Friend or acquaintance of one or more current board members Racial or ethnic diversity Gender Age

Methods of Collection and Ethics

The researcher used the Qualtrics Survey tool to communicate with respondents, collect data and perform initial data analysis such as crosstabs. When identifying the sample in GuideStar, the researcher gathered the following basic organizational information from the subjects' GuideStar entry: annual revenue and year founded. In addition to these categories, the researcher coded each of the organizations using the following subsector categories: Education, Health/Human Services, Art & Culture, Faith-Based, Environment/Animals. The annual revenue category, year founded and subsector was pre-coded in the Qualtrics survey tool to ensure accuracy of coding and to eliminate extra entry for the respondents.

All communication with subjects and data collection for this study took place via Qualtics. All 712 subjects received a letter of introduction (Appendix A) that explained the premise of the study and invited them to participate. Next, all subjects received an invitation to participate that explained the premise of the study (APPENDIX B) along with a link to the survey instrument (APPENDIX E). The survey was kept open for three

weeks, during which time those subjects who had yet to respond received two reminders (APPENDICES C and D).

The survey instrument instructions contained a brief description of the study and explained that all answers will be reported in aggregate so that no institutions or individuals will be identified in the report findings. The first question on the instrument requested consent to voluntarily participate in the study: "I have been provided information about the general purpose of this study and agree to voluntarily participate in this online study." This research was approved through the Indiana University IRB process.

<u>Data Analysis</u>

This research captured data that can be used to benchmark the sample against national data and data that will be analyzed to learn more about potential relationships between the dependent variable of the board racial diversity ratio for an organization and multiple independent variables. Regression and linear models were used in analysis of the ratio for racial diversity, and data plotting, cross tabs and basic statistical analysis were used to identify potential relationships between variables and report basic information such as percentages. To reduce bias in this study, it was important to wait to see the data before drawing assumptions about relationships between variables; however, the following table outlined potential paths for analyzing the collected data.

TABLE 4: Potential Paths for Analyzing Data Collected

Question #	Analysis
2	Report # of board members, and compare the sample's average board size to average size of national board. Evaluate data by annual revenue category, age and subsector.
3	Report # of board members in each ethnicity category provided and compare the sample's diversity ratios to national study. Evaluate data by annual revenue category, age and subsector. Create linear model for diversity ratio with independent variables of board process from questions 8, 8a, 9, 9a, 10 and 14.
4	Report # of board members, and compare average gender ratio to average gender ratio in the national study. Evaluate data by annual revenue category, age and subsector.
5	Report percentage of boards that utilize an executive committee. Evaluate data by annual revenue category, age and subsector.
5a	Report # of board members serving on the executive committee
5b	Report # of women serving on the executive committee, calculate gender ratio for women serving on the executive committee
5b	Report # of non-White members serving on executive committees and calculate a diversity ratio using non-White and members defined as representing other ethnicities
6	Report percentages of board members in each age category and compare to results from the national study
7	Report percentages of board members in each professional expertise category and compare to results from the national study
8	Report percentage of organizations that utilize a standing board committee to recruit and select new members. Analyze to see if there is a relationship between organizations that use a standing committee for board recruitment and levels of diversity on the board. Use as variable in model with diversity ratio. Evaluate data by annual revenue category, age and subsector.
8a	Report percentage of organizations that utilize each naming convention for the standing board committee that recruits and selects new members. Evaluate data by annual revenue category, age and subsector. Analyze to see if there is a relationship between standing committee names and levels of diversity on the board. Evaluate data by annual revenue category, age and subsector.
8b	Report percentage of organizations that utilize each functional definition for the standing board committee that recruits and selects new members. Evaluate data by annual revenue category, age and subsector. Analyze to see if there is a relationship between standing committee functional roles and levels of diversity on the board. Evaluate data by annual revenue category, age and subsector.
9	Report percentage of organizations that utilize tools such as a matrix or table to track board composition and identify gaps in diversity. Evaluate

	data by annual revenue category, age and subsector. Analyze to see if there is a relationship between the process of using a tool for tracking composition and levels of diversity on the board. Evaluate data by annual revenue category, age and subsector.
9a	Report the percentage of organizations that track each of the diversity categories identified in this question. Analyze to see if there is a relationship between these categories and the organization's diversity ratio and responses to questions 3, 4, 6, and 7.
10	Report where the responsibility for identifying prospective board members rest for in the sample organizations. Analyze to see if there is a relationship between who is responsible for identifying prospective board members and an organization's board diversity. Evaluate data by annual revenue category, age and subsector.
11	Report percentage responses for the levels of influence each category has in the process of selecting new board members. Compare to see if this information contradicts responses from question 10. Analyze to see if there is a relationship between the highest influence category from this question and the organization's board diversity.
12	Report percentage of organizations that find it difficult to serve on the board and compare the benchmark to national study. Analyze to see if there is a relationship between difficulty of recruitment and diversity ratios on the board.
13	Report the levels of importance of each of these characteristics in the board selection process and compare this sample benchmark to the national study. Analyze to see if there are relationships between these characteristics and the board diversity in organizations.
14	Report whether the four diversity categories have been discussed at the board level in the past year. Evaluate data by annual revenue category, age and subsector. Analyze to see if there is a relationship between board discussion of diversity and the organizations' diversity from questions 3, 4, 6 and 7.
15	Report the Executive Director's description of the board's perception of whether board diversity is important to achieve the organization's goals. Evaluate data by annual revenue category, age and subsector. Analyze to see if there is a relationship between the board's perception of the importance of board diversity and the organizations' diversity reported in questions 3, 4, 6 and 7.
16	Report percentages of Executive Directors/CEOs who believe board diversity is currently an important issue for their organization. Evaluate data by annual revenue category, age and subsector. Analyze to see if there is relation between the responses to this question and the organization's diversity ratio.
16a	Report the Executive Directors/CEOs' responses as to why they believe board diversity is currently an important issue to their organization. Analyze to see if there is relation between the reason categories selected and the organization's diversity ratio.

16b	Report the Executive Directors/CEOs' responses as to why they do not believe board diversity is currently an important issue for their organization. Analyze to see if there is relation between the reason categories selected and the organization's diversity ratio.
17	Report the Executive Directors/CEOs' perception of what governance models their organization uses to function. Evaluate data by annual revenue category, age and subsector. Analyze with diversity ratios to see if there is a relationship between the governance model and diversity ratios in organizations.
18	Report percentage rankings for how the Executive Directors/CEOs rate the importance of the boards' role in each function listed. Evaluate data by annual revenue category, age and subsector. Compare to responses from question 17 to see if the board function valued correlate with the governance model the Executive Directors believe they are using. Analyze to see if these board function characteristics are related to the organization's diversity ratio.
19	Report which board function category Executive Directors/CEOs feel would most help their organizations. Evaluate data by annual revenue category, age and subsector. Compare to see if this aligns with responses to the governance model in question 17. Analyze to see if there is a relationship between how the Executive Directors/CEOs believe the board could most help the organization and diversity ratios.

Limitations

As all studies, this research had limitations. The first was not being able to incorporate all of the nonprofit organizations with annual revenue of $250,000 or more in the greater Houston area that have active tax exempt status. The researcher acknowledged that GuideStar does not capture all organizations, particularly faith-based organizations and faith-affiliated organizations; however, chose to use GuideStar because it is a data set available to anyone who would want to replicate this type of study, and it would have similar limitations for anyone who may utilize it for sample selection. Also, by not including the organizations that had no viable contact information, the study was skewed toward organizations that were in a more mature phase of the organization's life

cycle and more professionally operated; yet, this bias toward larger and more mature organizations is consistent in nonprofit governance research.

The self-reporting aspect of this study also created some limitations, which is a common concern in nonprofit board governance research. Executive directors were asked about whether the board has addressed diversity in meetings during the last year, and they were asked about their boards' and their own perceptions related to diversity and the urgency at which diversity should be addressed. There was likely a lack of candor regarding the discussions of diversity and urgency to address diversity in their board recruitment and succession planning for their organizations due to the executive directors' wanting to project the best impression of their board and their own leadership. However, given the scale of this study to examine more than 700 nonprofit organizations, it would be prohibitive to conduct this research qualitatively, and according to the methods literature review around nonprofit governance, the challenge of organization leader's being completely honest in their responses is a constant challenge for researchers. Also, some executive directors may not have been willing to share candid information about their boards' diversity policies, which would impact response rates for some of the questions and the survey overall. The limitations of this study are not greater than reported in the typical board governance study.

CHAPTER FOUR – QUANTITATIVE ANALYSIS AND DISCUSSION

This study was designed to learn about diversity on nonprofit boards by examining board composition, board procedure for selecting board members and the executive directors' perception of their organization's governance models and whether these three factors potentially influence diversity on boards. The survey was designed in three sections: board composition, board procedure and executive director and board perceptions; therefore, the analyses in this chapter correspond with those three sections.

Before moving into more detailed analysis, it is important to understand the population of the respondents. The survey response rate was 25.8%, which falls between the response rates of 18-40% identified in the literature review. According to analysis of the respondents, organizations in the $500,000 - $999,999 category were slightly underrepresented in the responses (see Figure 2). However, the rest of the sample follows the same breakdown of annual revenue from the overall population of the study.

FIGURE 2: Response Rate by Annual Revenue Compared to Sample
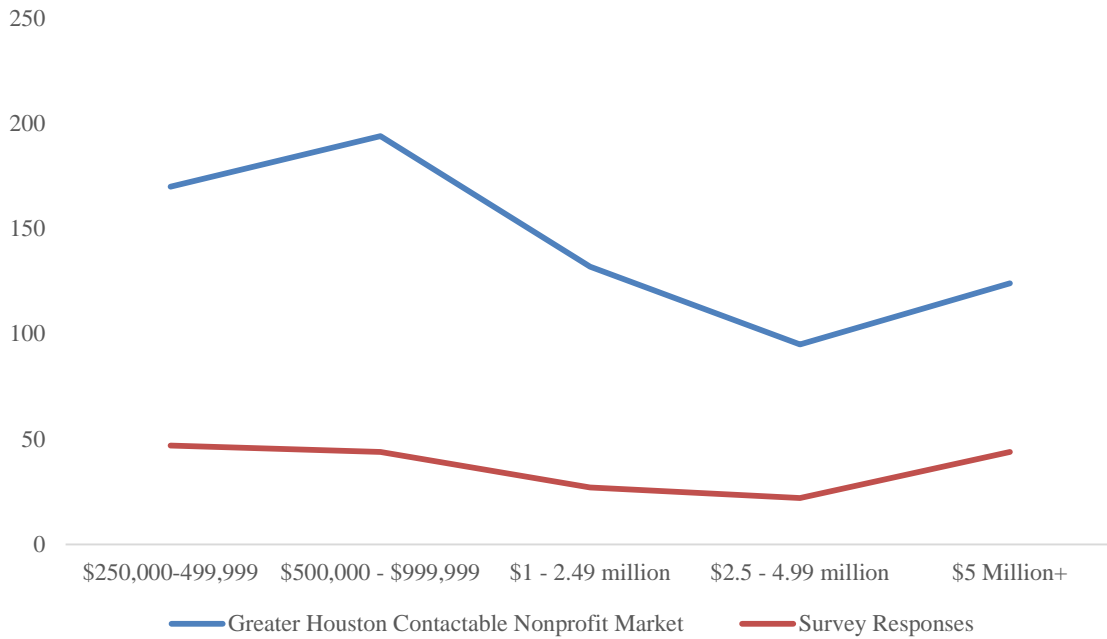
This chapter reports the findings from the survey of 184 executive directors in the Greater Houston area. The questionnaire was administered electronically to 712 nonprofit executive directors to collect data regarding board composition, procedures for recruiting board members and the executive directors' perception of the governance model potential for influencing diversity of the board. When cleaning the data, it became apparent some organizations reported inconsistencies between the total number of board members and the number of board members reported in individual categories for ethnicity, gender and age. It is likely these differences can be explained by respondent error or including board members in multiple diversity categories; however, the researcher removed these 28 responses with inconsistencies in the number of board members reported from all analysis that incorporated diversity ratios. In analysis related

to diversity ratios, the n=156, while the questions in which the number of board members and diversity ratio is not relevant the analysis will include the entire set and n=184.

The survey population of 712 organizations was pulled from the GuideStar database so it was naturally weighted toward organizations that file 990s. Given faith-based nonprofit organizations are not required to file 990s, this subsector is underrepresented in the database and therefore in this study. The education subsector also is slightly underrepresented in the sample, which may be due to the number of faith-based schools in the greater Houston area that do not file 990s; otherwise, the responses follow the line of the study population (see Figure 3). Also, as this figure indicates, the population of greater Houston nonprofit organizations pulled from the GuideStar database is comprised of primarily health and human services organizations.

FIGURE 3: Response Rate by Subsector Compared to Sample
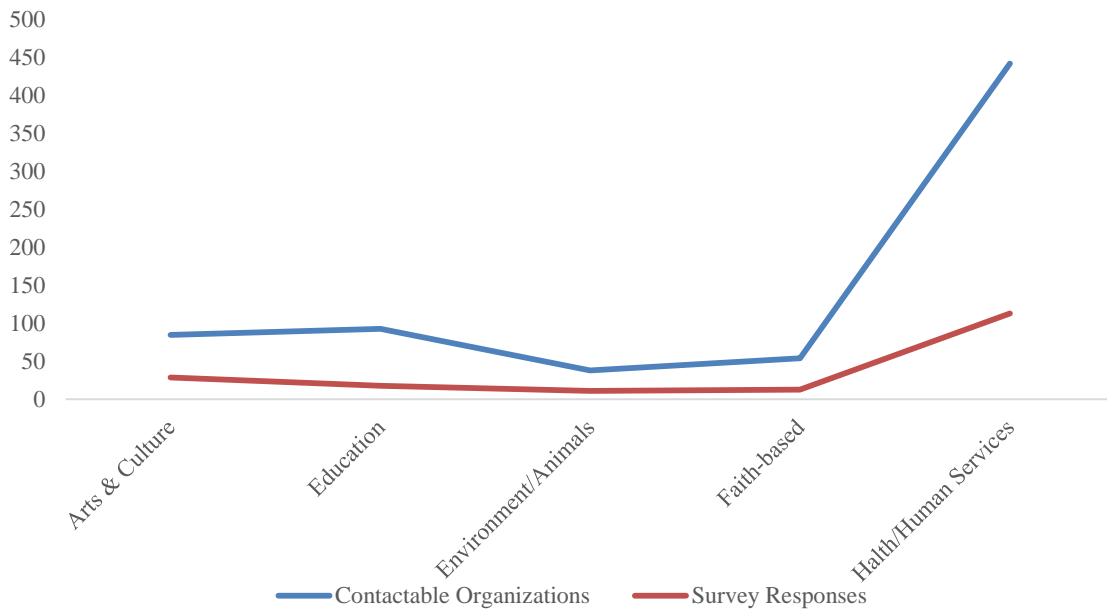
Board Composition (Survey Questions 2-7)

Board composition is one of the most common elements included in board governance research because it is easy to measure, and because there are concerns that larger boards may be an environment for governance failures. Gathering data on board size and visible board member characteristics is fairly straight forward and it serves as a baseline to compare organizations. Board composition was critical to this research because the study was investigating diversity on nonprofit boards and factors that may affect diversity levels. In addition to providing a snapshot of Houston boards that could be compared to national studies, the composition data addressed two key research questions:

1. Do boards in more diverse communities have a more diverse composition?

2. Are women leading nonprofit boards by serving on executive committees or are they serving in lesser leadership roles?

The simplest composition measure for board governance is size. The size of boards has been a topic of interest for the past few decades, due to the expansion of arts organization board in the 1980s and increased media attention to oversight scandals in the sector. The research concerns have surrounded whether or not size impacts the effectiveness of boards and creates an environment for governance failures; after all, it can be difficult to provide meaningful engagement for 120 board members. Admittedly, some boards became unwieldy and the solution to managing such large boards has been to utilize an executive committee for core decision making and to have the other board members engaged in volunteer support activities such as fundraising and increasing publicity for the organization. Ostrower (2007) found that large board size did not

"detract from board engagement" and found a positive relationship between board size and "fundraising activity, educating the public about the organization and its mission, and trying to influence public policy" (pg. 17).

In this study of 184 organizations, the average size of a nonprofit board in the greater Houston area is 17 members (17.09). And, further analysis revealed a trend of board size increasing, in both the mean and mode, with the organizations' annual revenue (see Figure 4).

FIGURE 4: Board Size by Annual Revenue
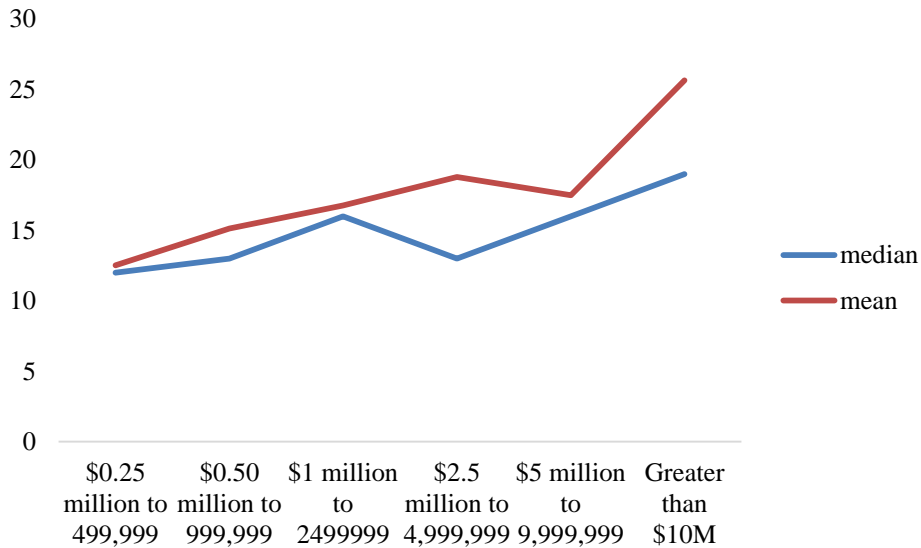
When board size was examined by subsector, it was determined that Houston Arts & Culture institutions have the largest boards and that educational institutions have the smallest boards (see Figure 5).

FIGURE 5: Board Size by Subsector
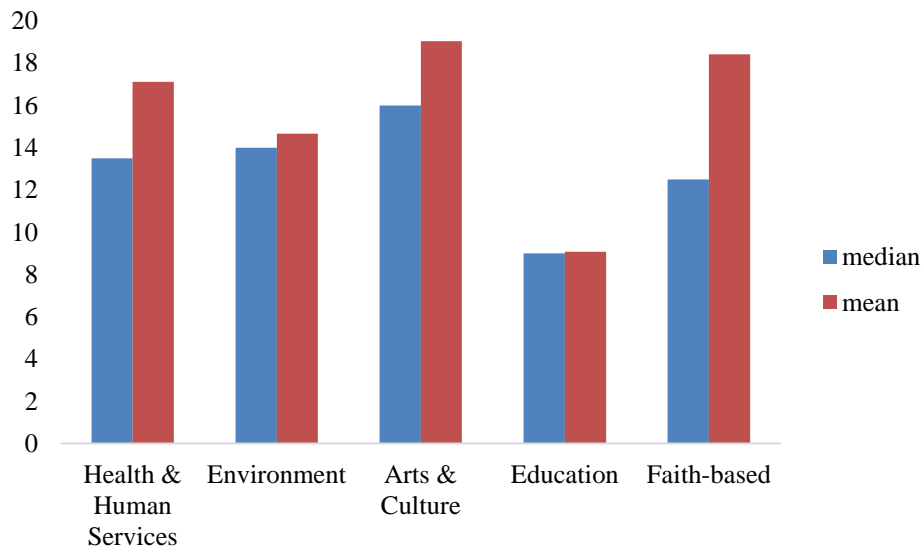
The Houston board size of 17 members is a slightly larger average than the board

size findings from Larcker, Meehan, Donatiello and Tayan (2015) that determined an

average size of 15 members. Larcker et al. collaborated with Guidestar and BoardSource

to survey 924 directors of nonprofit organizations, and 56% of the respondents reported

that a board size of 15 was "about the right number," while 16% reported that 15

members was "slightly or much too large" (Larcker Et al., 2015, p.8). The use and size

of executive committees was also examined, and the results will be analyzed further in

the board procedure section of this analysis.

Another common type of board composition analysis is visible diversity, which

investigates race, gender and age. This analysis was critical to answering the research

question of whether or not boards are more diverse in communities with a diverse

population, and the following analysis provides insight into race, gender and age diversity

on Houston boards.

Race

One of the central components of this research was related to racial diversity on nonprofit boards. The inquiry stemmed from a practical challenge of changing demographics in the Houston metro area – a population that was once majority white has transformed into a minority-majority and has become the most diverse population in the United States. The Houston area is predicted to be significantly younger and more diverse by 2020 than it is now, and that means the stereotypical board member of a white, male over the age of 65 will not be represented by the city's demographics.

This research developed a baseline for board racial diversity in Houston and compared diversity ratios to diversity from national studies. According to BoardSource, "from 1994-2010, the number of Caucasian board members hovered around 85 percent" (Bernstein & Davidson, 2012, p. 3). Ostrower's national board study supports that as she found the national average of board composition is "86% white, 7% African American or black, and 3.5 % Hispanic with the balance other ethnic groups" (The Urban Institute, 2007, pg. 18). Examining data from 156 organizations in this study, Houston board composition is more diverse than the national average. The mean for white board members is 76.98%, which means that Houston's boards are 9% more diverse than the national average. Table 5 displays racial diversity percentages from Ostrower's national study and this study next to the 2010 Houston Census data.

TABLE 5: Race Representation for National and Houston Studies vs. Houston Population

Race	Ostrower National Study	Houston Study	Houston Demographics 2010 Census
African American	7%	10%	24%
Hispanic	3.5%	8%	44%
Other	3.5%	5%	6%
White	86%	77%	26%

As one can see, Houston nonprofit boards have higher representation from the African American, Hispanic and Other racial categories than the national average. There are twice as many Hispanics serving on nonprofit boards than at the national level; yet this is still considerably lower than the percentage of Hispanics in the Houston population. Despite being nine percent more diverse than the national average, the white population is overrepresented on boards compared to the general Houston population – nonprofit board members are 77% white, while the general population is only 26% white.

Ostrower notes that "nonprofit boards located in metropolitan statistical areas (MSA)s are more racially and ethnically diverse. Nonetheless, 45% are still entirely composed of white, non-Hispanic members. The figure is 66% outside MSAs" (The Urban Institute, 2007, p. 18). According to this study, Houston nonprofit boards are more diverse than what Ostrower found in the national study because only 23 organizations or 13% reported board composition of entirely white, non-Hispanic members.

An effective way to analyze this diversity data is to plot each of the 156 responding organizations individually. Rather than listing all the data numerically, a heat map visually displays the data for all 156 organizations by assigning color to the diversity percentage in each race category, which easily identifies any patterns in the data. The key in Figure 6 indicates that the darker the color, the higher concentration of board members in a specific category. For example, the darkest shade of blue indicates 100% of the board members are in that category and the lightest shade indicates no board members are in that category.

When data for the 156 responding organizations were plotted individually on a heat map, the results clearly indicated that Houston's nonprofit boards are predominately white (see Figure 6). Of the four race categories, the column for white board members is almost solid blue; whereas, the other three race categories are light blue with very few organizations having representation of fifty percent or higher in any of the individual race categories – this is demonstrated by the darker blue lines in the map. The results of this heat map demonstrated that African Americans have more representation on boards than Hispanics or Other Races. Another point that became apparent in this data display was that the Other Races category only has majority representation at two of the organizations in this study, which seems particularly low given the number of cultural institutions based in the greater Houston area.

FIGURE 6: Race Representation for 156 Respondents
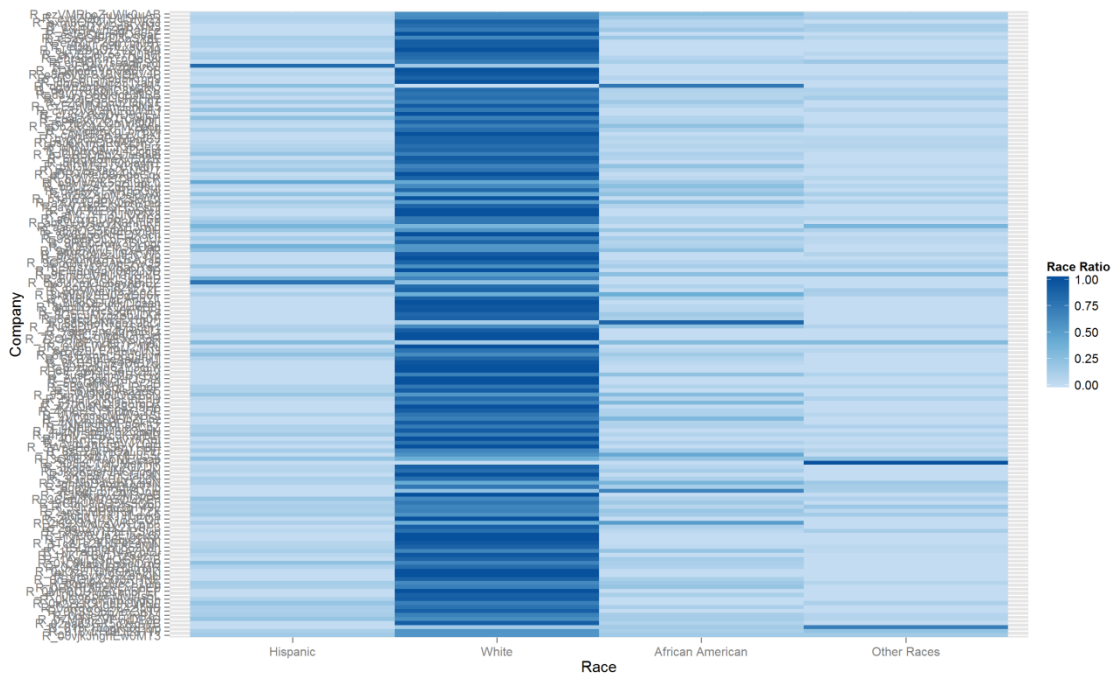
Further analysis of racial representation on boards by type of organization provided a better understanding of diversity in the Houston nonprofit sector. When the

156 responding organizations' board diversity data was plotted by the four racial categories used in this study and subsector, it became clear that Health and Human Services boards are the most diverse of all the subsectors, and the threshold for board diversity is thirty percent or below in all other sectors (see Figure 7). African Americans are more prominent in the Health and Human Services and Arts and Culture subsectors, while Hispanics have more representation in the education subsector. There is an apparent gap in diversity in Faith-based and Environmental/Animals subsectors, with the Environment/Animals subsector having the lowest board diversity of all the subsectors.

FIGURE 7: Diversity Ratio by Subsector
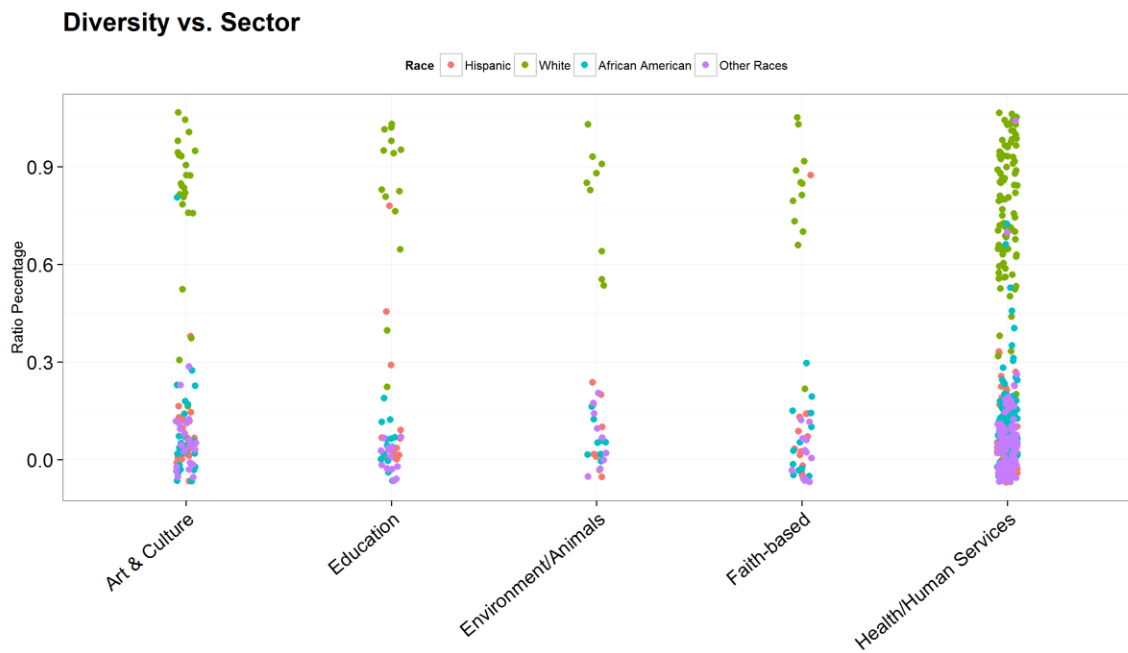
When each of the responding organizations' diversity ratios was plotted with a heat map, again, the evidence demonstrated that boards are predominately white (see Figure 8). As the Figure 8 key indicates, the darker color indicates a higher percentage of that race serving on the board. This tool identified that Education subsector has the lowest diversity, as defined by having the highest percentage of white people serving on

boards. This heat map also illustrated that African Americans have higher representation on boards than Hispanic and Other race categories and, unique to this mapping, African Americans have more representation on faith-based boards than in any other subsector. Furthermore, this tool illustrated that Hispanics are more consistently represented on boards across the subsectors than African American and Other race categories, although the representation is typically below twenty-five percent of the board members.

FIGURE 8: Race Representation by Subsector
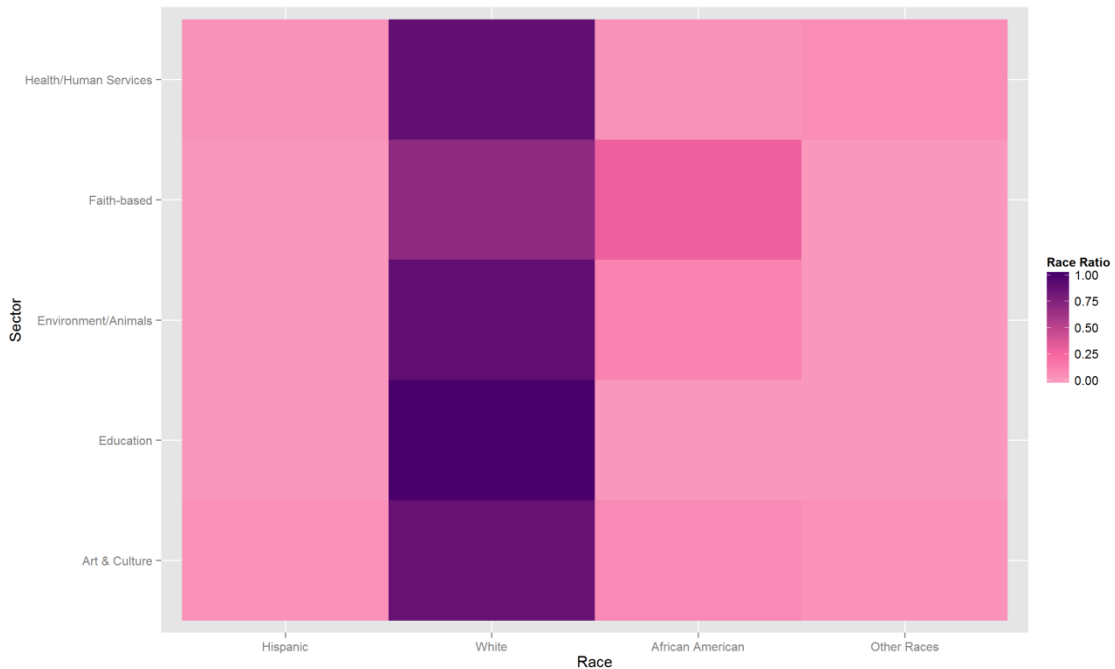
When diversity was evaluated by annual revenue of the organizations, by plotting the four racial categories used in this study for 156 responding organizations, there were clear findings that the organizations with lower annual revenue have higher diversity. As Figure 9 demonstrates, there are diversity gaps in the organizations with higher annual revenue, particularly from $2.5 million and above. These findings contradict Ostrower's findings in the national study, in which it was determined that "boards of smaller nonprofits are more likely to be predominately white" (The Urban Institute, 2007, p.18).

This study of Houston nonprofit boards indicated that boards of smaller nonprofits, defined as having lower annual revenue, are more likely to have more diverse boards, while organizations with annual revenue of $2.5 million or more are predominantly white.

FIGURE 9: Diversity Ratio by Organization Annual Revenue
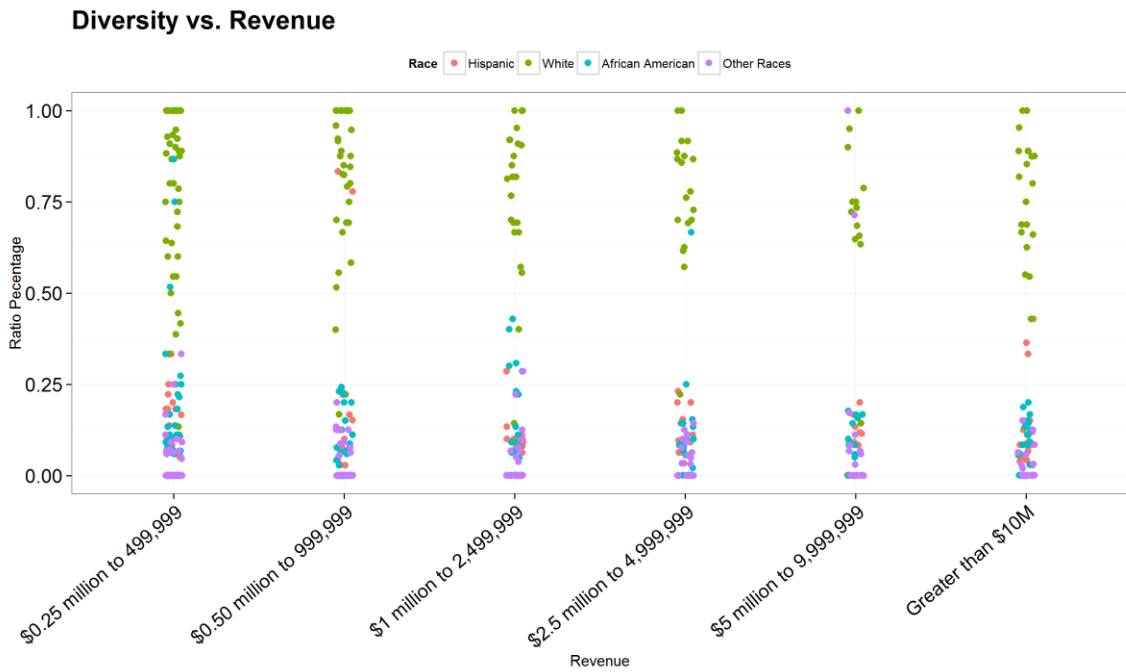
When the four racial categories for each of the 156 organizations were plotted by subsector with a heat map, the evidence demonstrated that boards are highly composed of white board members, regardless of annual revenue (see Figure 10). As the heat map key indicates, the dark blue color illustrates a high representation on the board. This tool also confirmed the data from Figure 9, that there is a gap in racial diversity on boards for organizations with $2.5 million to $9,999,999 annual revenue. The majority of boards have less than 25% diversity; however, this tool indicated that African Americans have a slightly higher percentage of representation than other race categories at the $1 million – 2,499,999 and $10 million or more revenue categories. This tool also produced a pattern

that made it clear that the Other Races category has less representation on nonprofit

boards in Houston than African American, Hispanic or White races.

FIGURE 10: Race Representation by Organization Annual Revenue
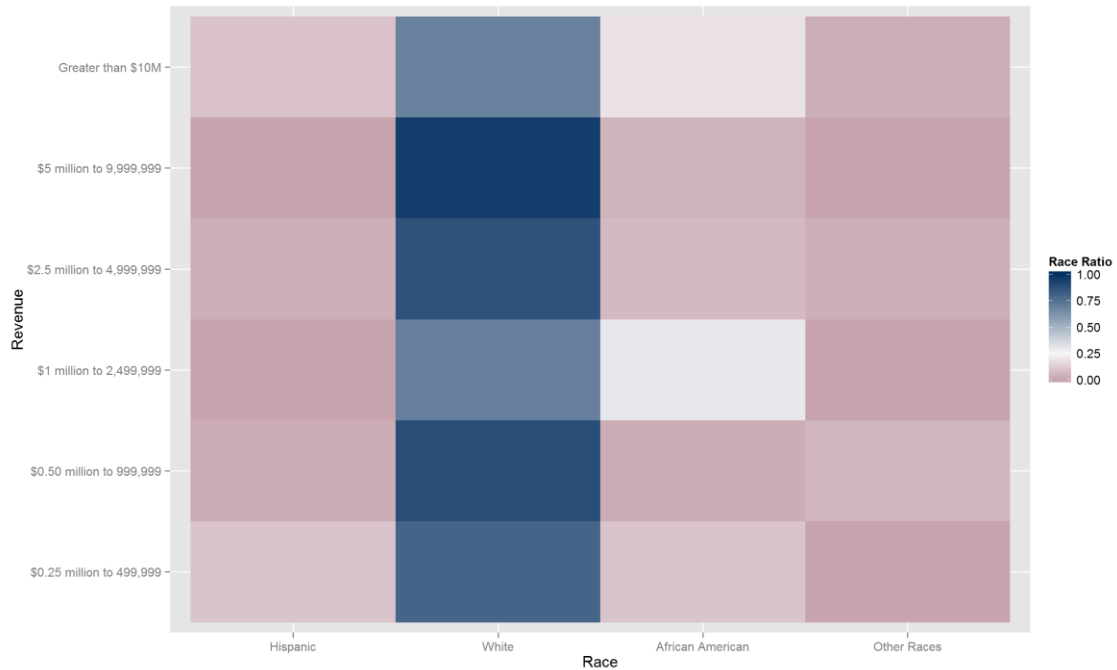
Another point of analysis for understanding nonprofit board diversity in Houston

was to examine the diversity ratios by geographic location. Having determined that

Houston nonprofit boards are nine percent more racially diverse than the national average

for board diversity, this exercise was designed to see if boards in more diverse

communities were indeed more racially diverse than organizations located in

communities with a more homogeneous population.

All organizations that responded to the survey were plotted by zip code (see

Appendix F). Sixty-seven organizations or 36% of all responding organizations in this

study are concentrated in ten zip codes, and all are located inside of Beltway 8. Table 6

identifies all the zip codes used in this analysis, along with a geographic description of

the zip code area.

TABLE 6: Zip Code Analysis and Neighborhood Boundaries

Zip Code	# of Organizations	Neighborhood Boundaries Description
77098	12	Buffalo Speedway to Dunlavy to Westheimer
77024	5	Memorial
77002	6	Downtown
77074	5	South of I69, Braeswood, Hillcroft
77092	6	290 corridor
77019	8	River Oaks
77006	9	Downtown
77004	6	Main Street, South I45, Third Ward, Macgregor
77054	5	Old-Spanish Trail, Holmes, Main Street, 288
77007	5	Memorial, inside 610

To analyze diversity of boards on a micro scale, the ten zip codes that housed five

or more nonprofit organizations were compared to the ethnic diversity statistics from the

zip codes census data. Additionally, the racial diversity ratios were calculated for the

organizations housed in each of the zip codes and compared to the demographic census

data for each zip code (see Table 7). In the forty racial category and zip code

combinations represented in Table 7, only 25% of the board diversity ratios fell within

three percent of the demographic ratios, and these are represented by bold font. Seventy-

five percent of the combinations did not show any consistency between the board

composition for organizations housed in this zip code and the demographic data of the zip

code; three zips codes did not have any consistency between demographic data and board

composition for any of the race categories. African American and Other Race categories

accounted for 80% of the racial composition and demographic matches, with White and

Hispanic only having one demographic and zip code match respectively.

There was little consistency among board representation and demographic data in

these selected zip codes. For example, the zip code where the most nonprofit

organizations were located (77098) reported 12% more African Americans on their

boards than the general population, while Hispanics were underrepresented by 8%. The

organizations located in the six zip codes with a white population of less than 35% had

significant overrepresentation of the white population on their boards. For example,

77004 has a white population of 11.4% and their boards were comprised of 64.2% white

members; yet the African American population was underrepresented by 50%. At this

level of analysis, there is no evidence to support that nonprofit boards located in

communities with diverse populations will be more diverse or match the diversity of the

communities' population.

TABLE 7: Demographics by Zip Code vs. Racial Representation Board Composition

Zip Code	Demographic Data from ZipWho.com				Average Nonprofit Board Composition			
	White	African American	Hispanic	Other	White	African American	Hispanic	Other
77098	76.2%	1.9%	17.1%	4.8%	71.4%	13.4%	9.5%	5.6%
77024	**83.7%**	.3%	5.4%	10.6%	**85.2%**	9.1%	2.3%	3.4%
77002	34.9%	39.6%	23.6%	1.9%	70.2%	14.5%	9.7%	5.6%
77074	28%	18.8%	43.2%	10%	86%	3.5%	8.1%	2.3%
77092	33.1%	17.8%	45.7%	**3.4%**	79.4%	6.1%	11.5%	**3.0%**
77019	69.9%	**6%**	19.3%	**4.8%**	79.2%	**6.3%**	8.8%	**5.7%**
77006	68.6%	**4.1%**	20.2%	7.1%	87.6%	**5.8%**	3.3%	3.3%
77004	11.7%	71.9%	**11.6%**	**4.8%**	64.2%	22.1%	**9.5%**	**4.2%**
77054	30.2%	**36.8%**	10%	23%	59.6%	**34%**	6.4%	0.0%
77007	34.7%	**7.5%**	54.8%	**3%**	80.7%	**7.3%**	7.3%	**4.6%**

Data accessed from ZipWho on October 3, 2015

http://zipwho.com/?zip=77024&city=&filters=--_--_--_--&state=TX&mode=zip

Question 14 on the survey asked executive directors whether or not the following

topics were discussed at the board level, at their organization, in the past year: racial

diversity, gender diversity, age diversity or professional diversity. Given the apparent

lack of relationship between board diversity and demographics in this zip code analysis,

we analyzed the Question 14 responses for all the organizations in the zip code analysis

to learn whether their boards had discussed ethnic diversity in the last year.

The four zip codes with the most diverse boards (77054, 77004, 77002, and 77098) exhibited a divided response regarding whether or not they have discussed racial diversity at the board level. While some boards in each of these zip codes discussed racial diversity at the board level, the two zip codes with the most diverse boards reported fewer organizations having this discussion at the board level (see Figure 11). Matter of fact, only 40% of the organizations in the zip code with the most diverse boards discussed racial diversity at the board level.

FIGURE 11: Diversity Ratio vs. Whether Racial Diversity was Discussed by the Board
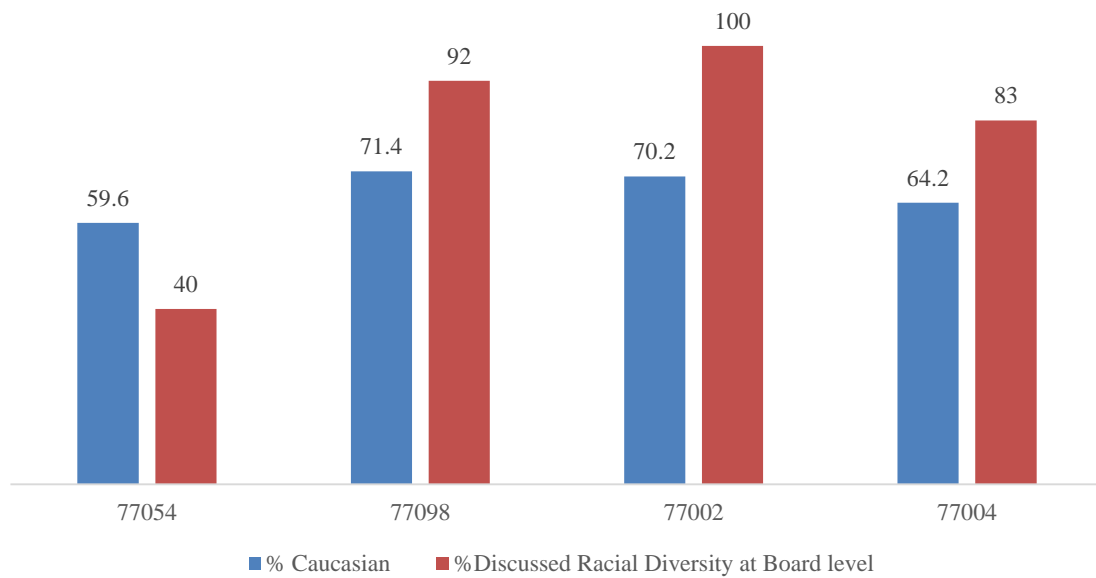
These findings led to an examination of whether or not boards are discussing racial diversity across all these ten zip codes. Only three of the zip codes had fewer than 60% organizations report that they discussed racial diversity at the board level (see Table 8). Despite the majority of these organizations were reported to have discussed racial diversity at the board level in the past year, there was no evidence that such discussions were in anyway correlated with increased board diversity or even helped the board reach

a diversity ratio that was representative of the communities in which the nonprofit

organizations operate. While conclusions about the relationship between discussing

board diversity and the diversity ratios on the boards cannot be drawn from this data, the

findings from this initial inquiry are intriguing enough to warrant further study that

incorporates longitudinal data and time factors that will allow researchers to determine

whether board discussion of diversity influences diversity ratio on boards.

TABLE 8: Boards that Discussed Racial Diversity by Zip Code

Zip Code	# of Organizations	Reported Discussing Racial Diversity at the Board Level
77098	12	92%
77024	5	100%
77002	6	100%
77074	5	60%
77092	6	67%
77019	8	88%
77006	9	89%
77004	6	83%
77054	5	40%
77007	5	80%

Gender

Another common area of focus for studying nonprofit board composition is

gender diversity. Typically research draws upon work regarding gender diversity and

influence in corporate governance; however, there have been studies that have

concentrated on women's involvement on nonprofit boards over time. Gender diversity

was important to this research because it addressed a key research question – are women

leading nonprofit boards by serving on the executive committees or are they serving in

lesser leadership roles. The survey addressed the gender ratio of the board and of the

executive committees.

According to the 2010 Census, the Texas population is 50.4% female and Houston's population is 49.8% female. Using the mean, this study indicated that the 156 participating Houston boards are comprised of 54% men and 46% women, which equals the percentage Ostrower (2007) found in The Urban Institute's national study *Nonprofit Governance in the United States*. However, this average gender composition in Houston indicates women are underrepresented in general nonprofit board service by four percent.

The analysis of women's board service by annual revenue and sector confirms that women are underrepresented in various revenue categories and subsectors. When 156 data points were plotted, the degree of color indicated gender representation decreases at revenue rises. Yet, this is not an inverse relationship because women appear more at organizations with annual revenue of $10 million or more (see Figure 12). Even more women are serving on boards in organizations with annual revenue of $500,000 and below. Like the analysis of racial diversity, there is a gap of female representation on boards in the middle revenue categories of $1,000,000 to 9,999,999 and women return to higher representation at organizations with $10 million or more in annual revenue. Further analysis of the responding organizations with annual revenue between $1,000,000 to 9,999,999 did not identify any organizational characteristics that would explain this gap of female leadership in this range. The only contributing factor is that there were fewer education and faith-based organizations in the sample at these revenue ranges. However, the pattern for decreased female representation in organizations with annual revenue between $1,000,000 and 9,999,999 is still apparent in Health and Human Services, which is the largest subsector represented in this study.

When evaluating women's board service by sector, the data indicate women are most prominent on Health and Human Services boards, followed by Arts and Culture and Environment/Animal sectors. Women are underrepresented on Faith-based and Education boards, and they are largely absent in the middle revenue categories for all sectors besides Health and Human Services.

FIGURE 12: Gender Ratio by Organization Annual Revenue and Subsector
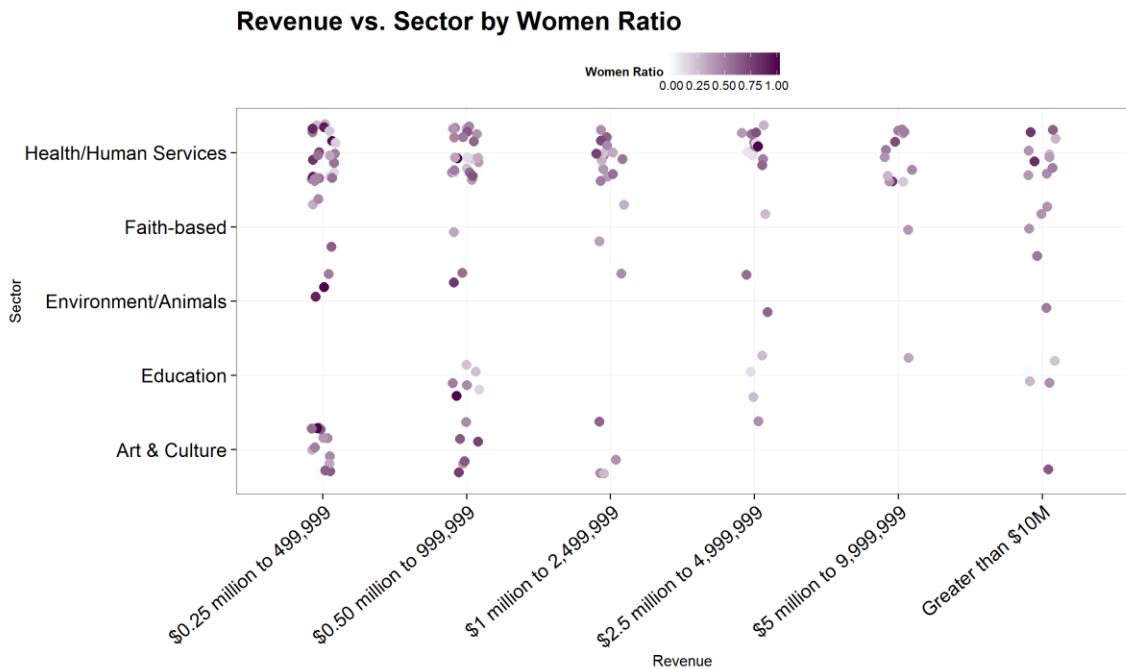
Despite the fact the evidence in this study concurred with the gender diversity findings from Ostrower's Urban Institute national study, the evidence also confirmed that women are underrepresented on boards compared to the general population of Houston and Texas. Additionally, gender diversity is skewed toward the Health and Human Services sector and in organizations across sector with annual revenues of less than $1 million. As indicated in Figure 12, few women are serving on boards of large nonprofit organizations in Houston. The survey for this research also collected data regarding

gender diversity on executive committees, and this analysis will be covered in the board procedure sector of the chapter.

Age

A third factor of board diversity that has become a concern is age. As the baby boomers retire, there has been skepticism around whether or not younger generations will be prepared to assume leadership roles as board members and staff members. According to 2010 Census data, the city of Houston population is slightly younger than the U.S. population, with only 74% of the city's residents being over the age of 18. National studies by BoardSource have identified the average board member as a white, male who is 65 years or older; yet, 2010 Census data for Houston identified that population band as representing only nine percent of the population – with only 80,397 individuals. It seems as if the adage of average board members being stale, male and pale will soon no longer be supported by the demographics of Houston.

Despite the general population skewing younger in Houston than the national average, the board member age distribution in this study was similar to the national studies when age was compared (see Table 9). Ostrower found age representation was highest in the 36-65 year old category, and she concluded that the need to recruit younger board members was not as urgent as we hear in anecdotal and prescriptive work. This study supported Ostrower's findings regarding age distribution of board members, but it also identified board members over 65 years of age are, in fact, over-represented on boards compared to the general Houston population. While age representation on boards is not yet a critical problem in Houston, nonprofit organizations would be wise to consider age representation as they appoint new board members in the next five to ten

years. This data deserves further investigation to see who else, from the various age

categories, is serving on boards in Houston.

TABLE 9: Age Representation for National and Houston Studies

Age Category	Ostrower National Study	Age Category	Houston Study
35 years or less	7%	35 years or less	7%
35-50 years	37%	36-50 years	38%
50-65 years	41%	51-65 years	41%
65 years+	16%	66+ years	14%

To analyze age by race for the 156 respondent organizations, the largest

proportion of age category was identified for each organization, and then compared to

race information provided in this survey. Occasionally the data identified two dominate

age categories in an organization, therefore, a balanced category that incorporated the two

dominate ages was created to see if there were any other diversity trends in organizations

with that population. The heat map revealed a few interesting facts about board

composition in the city (see Figure 13). The balanced and 65+ categories have the

highest proportion of white board members, followed by the 50-65 year old category.

Secondly, it indicated that African Americans are the second most populous board

members in the between 50-65 category. Finally, the under 35 year old board members

are the most diverse, with more Hispanic and African American representation than any

other age category. The patterns from this data suggested that board leadership is

beginning to mirror the racial diversity of the Houston area's under 35 population.

FIGURE 13: Age Representation by Race
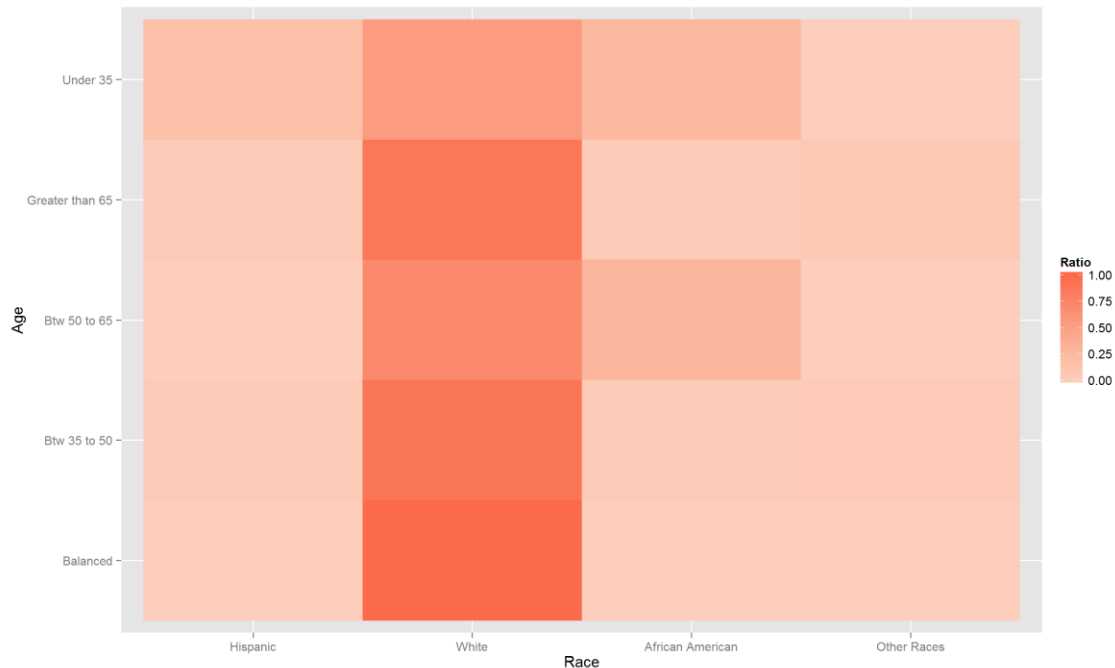
Modeling to find relationships

After analyzing the composition data, models were developed to identify

relationships between racial diversity and multiple variables. Since Ostrower's national

study found the average nonprofit board was 86% white, a diversity ratio of white

members being 85% or below was used to represent a more diverse board than the

national average for the purpose of this study. Using a logistical model with y = the ratio

of white board members being at most 85%, the researcher tested whether four things

would impact board diversity at the organization: the age of board members, the number

of women on the board, whether a formal committee is used to select board members and

if the organization uses a formal tool to track board composition.

A linear regression for the first variable, board member age, revealed a

relationship to board diversity. All the age categories in this survey were included in the

regression, and the f-statistic was significant with a p-value of .00513, meaning that age

type does affect diversity ratios on the board. In this case, the Greater than 65 category was significant as a predictive variable, with a P-value of .014. If board members are over 65, there is less chance for the board to qualify as diverse by having a board comprised of at least 15% non-white members.

Other variables were identified based on literature and research questions. Some corporate governance literature suggests that more women on boards results in greater financial performance, while some nonprofit literature suggests women board members are more inclusive. The researcher wanted to examine whether having more females on the board was related to ethnic diversity on the board. Additionally, the researcher wanted to test whether or not two board procedures that are taught as best practices in the practitioner world – using a formal committee for board recruitment and using a tool or matrix to manage the board recruitment process – had any relation to the organization's current board diversity ratio.

For the other three variables – the number of women on the board, whether a formal committee is used to select board members and if the organization uses a formal tool to select board members – there was no statistical significance in the P-values; therefore, none of these three factors have a linear relationship to the level of board diversity in an organization (see Table 10).

TABLE 10: Regression for Board Process Variables Affecting Diversity Ratio Coefficients:

	Estimate	Std. Error	z value	Pr(>|z|)
(Intercept)	0.0926	0.2970	0.31	**0.76**
scale(dt$Women)	0.0779	0.1654	0.47	**0.64**

	Estimate	Std. Error	t value	Pr(>|t|)
dt$Committee	0.0792	0.3613	0.22	**0.83**
dt$Tool	0.0189	0.3388	0.06	**0.96**

Next, linear regression was applied to analyze whether the number of women on a board or using a formal tool in the board recruiting process impacted the diversity ratio on the board. In this case, scaling the white ratio to 85%, the significance of the independent factors effecting diversity increased, but they are still below the threshold of five percent and it must be concluded that there is no linear relationship between these variables and diversity (see Table 11). Likewise, there was no linear relationship in an unscaled regression.

TABLE 11: Regression for Board Process Variables Affecting Diversity Ratio – 85%

Coefficients:

	Estimate	Std. Error	t value	Pr(>|t|)
(Intercept)	0.174	0.198	0.88	**0.38**
dt$Women	-0.554	0.374	-1.48	**0.14**
dt$Tool	0.180	0.161	1.11	**0.27**

Finally, a regression was run to determine if the number of non-white board members would influence the diversity ratio on boards. In this case, the regression found that the F-statistic was .81 and the P-value was .63 and, therefore, it must be determined that there is no relationship between the number of non-white members serving on the board and an increased diversity ratio.

The composition analysis for this study provided mixed results. At first glance, data from the racial diversity analysis suggested that board composition may more diverse in communities with a diverse population. For example, Houston nonprofit

boards are nine percent more racially diverse than the national average and the under-35

age category has the most racially diverse representation on boards. However, further

analysis at the zip code level does not find sufficient evidence to claim this is indeed the

case. In fact, some of the results contradict the notion that boards in more diverse

communities are more diverse. Likewise, we find gender gaps in leadership and

overrepresentation in many racial and age categories when we closely examined

diversity. Chapter Five will provide further discussion of these findings regarding

composition, the limitations of what can be explained in this study and suggestions for

future research related to diversity and micro variables that may influence diversity on

boards.

Board Procedure (Survey Questions 8-13)

The following section analyzes data related to board procedures related to

leadership and the recruitment process. 73% of respondents reported that their board has

an Executive Committee (see Figure 14), which is higher than the average of 35% of

directors reporting that their board has a formal Executive Committee from Larcker et

al.'s 2015 Survey on Board of Directors of Nonprofit Organizations.

FIGURE 14: Percentage of Houston Boards Using Executive Committees
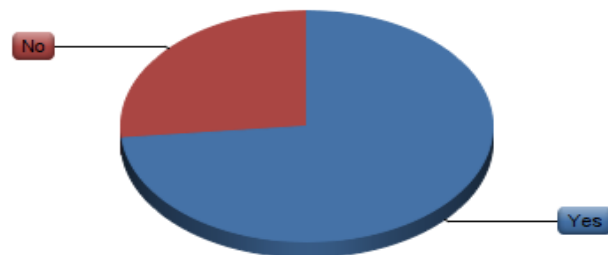
According to the respondents in this study, the average size of a nonprofit board executive committee in Houston is 6 board members, with the smallest executive committee at 3 and the largest is 24 members. Women account for 43.69% of the total executive committee members reported in this study, and the average number of women serving on executive committees is 2.61.

Upon further evaluation, the data indicates 16% of executive committees in this study have no gender diversity, but they are divided with 9% all male members and 7% all female members. Furthermore, 58% of the executive committees have less than 50% female representation and 70% of the executive committees have =<50% female representation. Of all responses regarding the number of women serving on the executive committee, the mode was 1 and median was 2 so women tend to be serving as the single female on Houston executive committees.

The executive committee can be used only to meet when the full board cannot convene or it can be used as powerful voice of the board that makes decisions to present to the rest of the members, which is one reason for examining the executive committee's composition in this study. Another highly influential committee is the standing committee that is used to nominate officers and recruit new board members. This committee can take a limited function of creating a nomination slate once a year or it may be a committee that functions year round and takes responsibility for recruitment, training and assessment of the board. These board development functions are handled differently in nonprofit organizations; therefore, this study investigated whether or not organizations were using these standing committees, their name and their function to try and identify

trends in the board development function and whether or not such procedures might yield different diversity ratios on boards.

The majority of respondents – sixty-seven percent – reported that their organization has a standing board committee to recruit and select new members, so 33% of the participating organizations do not have a group of individuals committed to the board recruitment and selection process. Of those organizations that have a standing committee dedicated to the recruitment function, the most popular committee name is nominating committee, followed by governance committee and other (see Figure 15).

FIGURE 15: Most Popular Names for Committee Handling Board Recruitment
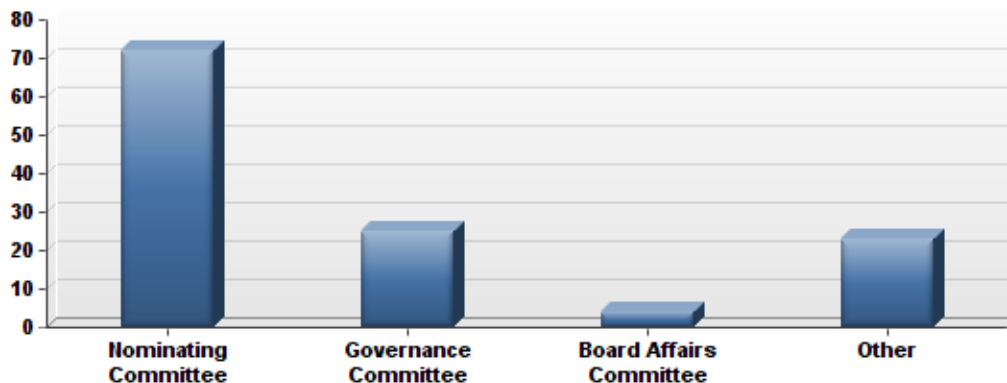
The third most popular name for this committee is the board development committee, with 9.67% of the total respondents using that name. Other names reported for this function were: leadership development, board recruitment, nominations & governance, transition development committee, fund and board development committee and committee of the trustees. These nomenclature results were unexpected as there has been a trend in prescriptive work and professional fundraising to move away from using

Nominating Committees to having a Board Development Committee that would, ideally, be more committed to the board recruitment and training processes.

Naming a committee is easily influenced by the staff; therefore, the researcher wanted to investigate to see if any of these committee names may have a relationship with high levels of diversity on the board. After running a regression, none of the single type P-values was less than five percent, the F-test was .248 and the P-value was .998. It was determined that there is not a relationship between the name of the standing board committee that is responsible for recruiting board members and the diversity ratio on a board. Although the committee name is easily controlled, there is no evidence that the name is related to board diversity and does not warrant an effort to select one name for these types of committees in nonprofit board governance. The relationship between the committee name and whether it influences diversity would have to be further investigated with longitudinal data, but these initial findings do not suggest enough of a likelihood of that relationship existing to pursue further study.

While the nomenclature for this standing committee varied among the respondents, how the committee functions is more defined. Of the 124 organizations that reported having a standing committee devoted to the board recruitment process, 44% percent of them claimed the committee has annual responsibility for recruiting and producing a slate of new members and officers. Two organizations reported that the committee meets as needed and that the committee function was unclear because it never meets. Twenty percent claimed the committee has year-round responsibilities for recruiting and training board members, while another three percent report limited responsibilities for orienting board members. Only thirty-one% of the respondents

claimed the committee has year-round responsibilities with concern for total board

effectiveness (see Figure 16).

FIGURE 16: Board Recruiting Committee Responsibilities
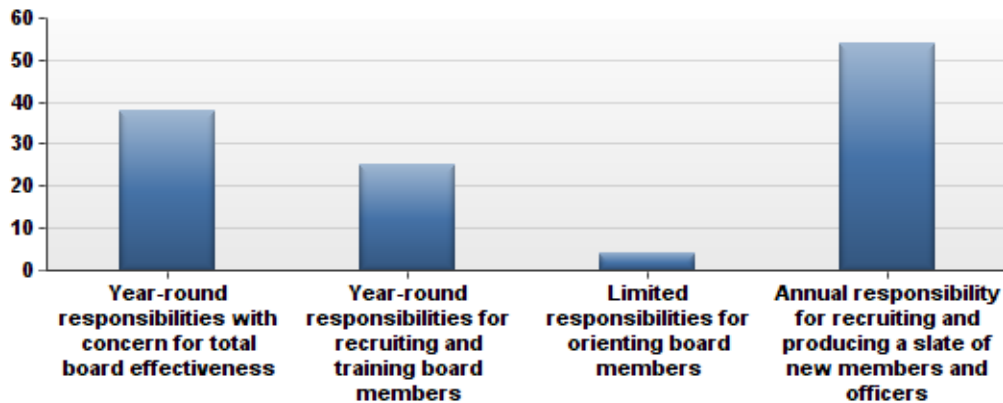
While the majority of respondents reported that they have some type of standing

committee devoted to board recruitment and selection, fewer of them rely on simple tools

to track board composition and identify areas in which their board could be strengthened,

such as diversity of race, gender, age or profession. Fifty-three percent reported not

using a specific tool, such as a matrix or table, to track board composition and to identify

gaps in diversity or expertise. As reported earlier in this chapter, there is no statistical

significance between using a specific tool to track board composition and the diversity

ratio on boards. Although this is a recommended best practice, there is no evidence that

encouraging organizations to use this method will improve diversity on boards.

The 86 respondents (47%) who claimed their organizations utilized a tool to

manage board recruiting indicate that they consider all areas of diversity included in this

study – age, ethnicity, age and profession – in the recruitment and selection process.

Ethnicity is considered slightly more than gender, and age is the least commonly considered characteristic in the board selection process (see Figure 17).

FIGURE 17: Characteristics Considered in the Board Selection Process
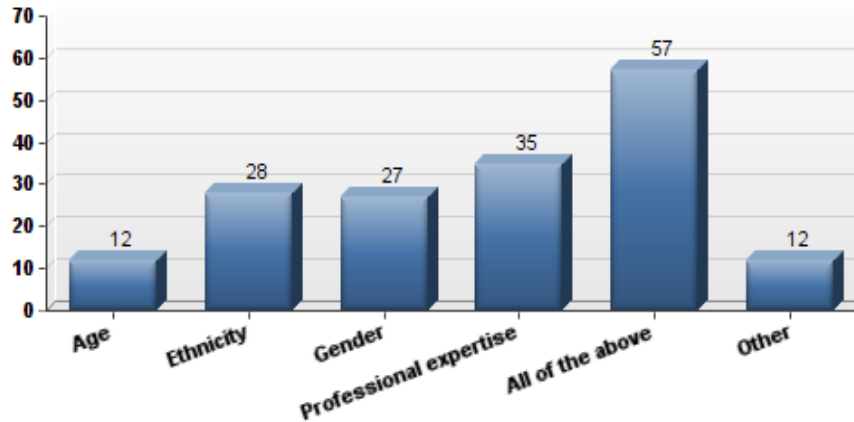
Five percent of the respondents claimed that they also considered religion or faith connection in the process, while other organizations consider geographic representation, financial and fundraising capacity, other boards and philanthropic connections and some family connection to the organization. Only one respondent suggested that their organization considered strategic plan needs in the recruitment and selection process.

According to these 184 respondents, the task of identifying prospective board members rests firmly with the board of directors. The majority of respondents – seventy-four percent – report that all members of the board are responsible for identifying prospective members; while only seven percent report this responsibility as a staff function (See Figure 18).

FIGURE 18: Responsibility for Identifying Prospective Board Members
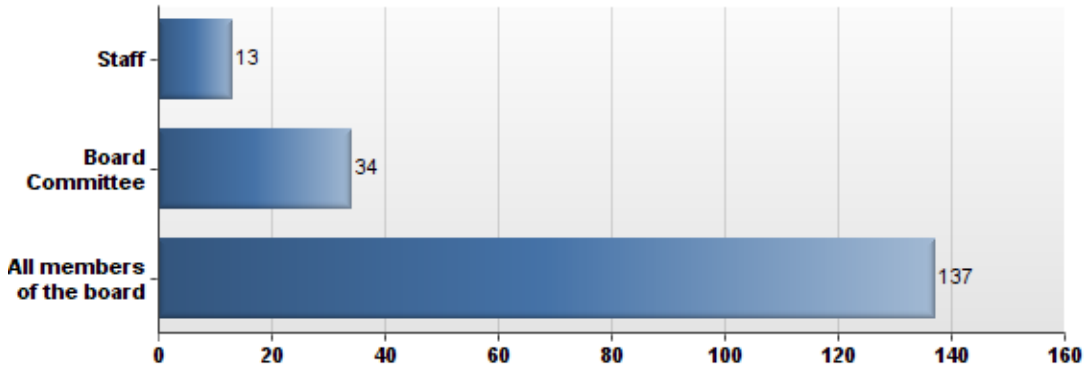
When analyzed by annual revenue, the 53.85% of 13 respondents that reported staff members are responsible for identifying prospective board members represent organizations of with annual revenue of less than $500,000; only 23% of the respondents represent organizations with the highest annual revenue, defined as $5 million+ annual revenue. These results counter two common practitioner perceptions of board governance. First, that the development office staff plays a significant role in identifying prospective board members based on donor engagement with the institution and, second, that the largest organizations have more professional staff to manage governance, which includes identification, recruitment and cultivation of board members. If the staff responsibility for identifying and recruiting board members is as limited as this research indicates, it raises the question of who is most influential on the board during the board selection process.

Among the board members, data indicate that the Board Chair or President carries the most influence for selection of board members followed by a board committee and then other board members (see Table 12). Notice that, on average with a mean of 3.38,

the individual who has the second highest influence on the selection of new board members is the executive director or CEO of the organization, which indicates that role has more influence over the governance membership than even the board committee charged with the responsibility for board recruitment. Analysis by subsector indicates that the executive director or CEO of an organization has the highest level of influence in faith-based organizations, followed by health and human services organizations.

TABLE 12: Individuals Who Have the Most Influence for Board Member Selection

	Question	None	Little	Some	A Lot	Total Responses	Mean
1	Board Committee	23	7	37	117	184	3.35
2	Board Chair or President	3	4	67	110	184	3.54
3	Other Board Members	2	10	114	58	184	3.24
4	Executive Director or CEO of the organization	6	11	75	92	184	3.38
5	Chief Development Officer	79	41	50	14	184	1.99
6	Other staff	83	60	35	6	184	1.80
7	Organization's Members or clients	100	49	22	13	184	1.72

Also, of interest is the fact that 65% of organizations report that the chief development officer has little to no influence over the selection of board members and that they barely have more influence than other staff members, despite that identifying major donors and supporters of the institution is a primary function in development offices. This finding suggests that boards may be underutilizing a function in the organization that should facilitate the board member identification process. Analysis by subsector indicates that Chief Development Officers in the Arts & Culture subsector have

the most influence over selection of board members (17.24%) and that they have the least influence in faith-based institutions (0%). It would be interesting to further examine why there is a difference in the Chief Development Officer's influence over board selection across subsectors.

The responsibility for recruiting board members can be easily controlled by organizations, hence, the researcher wanted to learn whether the assignment of this recruiting responsibility may be related to diversity. When tested, the F-statistic was .735 and the p-value was .57, well outside the threshold of .05%. It was determined that there is no relationship between whether the board, a board committee, the CEO or staff has responsibility for recruiting new board members and the boards diversity. It would require further investigation to determine the nature of any relationship between recruiting responsibility and board diversity, but the initial data from this study does not suggest that there is reason to pursue that research.

Data also show that the boards in this study of Houston do not place much emphasis on client representation on boards. Figure 19 illustrates the levels of influence each that various constituencies have regarding selection of new board members, and the organization's members or clients have, by far, the least influence over the selection of board members. Only seven percent of the organizations in this study give their members or clients a lot of influence over the selection of board members.

FIGURE 19: Level of Influence for Selecting New Board Members by Constituents
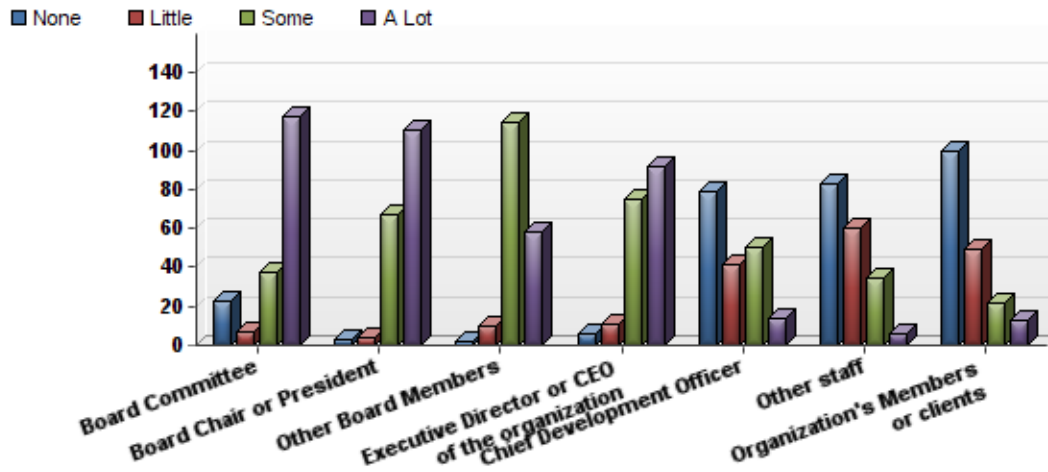
The data provided by executive directors overwhelmingly suggests that board members have the greatest responsibility for recruiting board members, specifically the board committee and board chair or president. However, the executive director has significant influence, more than the other board members. Clients have the least influence over board recruitment, and at no point in the survey did the executive directors reference the staff role in identifying prospective board members from the constituencies of volunteers and donors. According to this study, nonprofit board composition is not directly influenced by the specific board procedures tested in this study, and implications for practice will be further discussed in the next chapter.

Executive Director and Board Perceptions (Survey Questions 18-27)

The final section of the survey focused on the executive directors' perceptions of board recruitment, their organizations' governance models and the importance of diversity on their boards. The questions were designed to help learn whether or not the executive directors' perceptions may influence board composition and to benchmark Houston's nonprofit governance environment against national averages.

Even without considering the diversity factors in this study, recruiting nonprofit board members can be difficult, and most nonprofit organizations report that it is difficult to recruit qualified board members. As noted earlier, The Urban Institutes' (2007) national study found that 70 percent of nonprofits report that it is difficult to recruit board members, and 20% report board recruitment as a very difficult task. In this study, executive directors were asked the same question Ostrower used for The Urban Institute's national study regarding the difficulty in finding qualified people to serve on their boards. As indicated in Table 13, only 72% of the respondents in this study reported that task as somewhat or very difficult.

TABLE 13: Reported Difficulty to Recruit Board Members

Answer		Responses	Houston %
Not at all Difficult		16	9%
Not too Difficult		34	18%
Somewhat Difficult		102	55%
Very difficult		32	17%
Total		184	100%

While the very difficult category is only three percent less than the national data, the largest difference is in the somewhat difficult category, in which Houston executive directors selected this category at only 55%. From this data, board recruitment is considered less difficult in Houston than in other places in the country, and Figure 20 depicts the differences in between Houston and national data.

FIGURE 20: Comparison of Reported Difficulty to Recruit Board Members
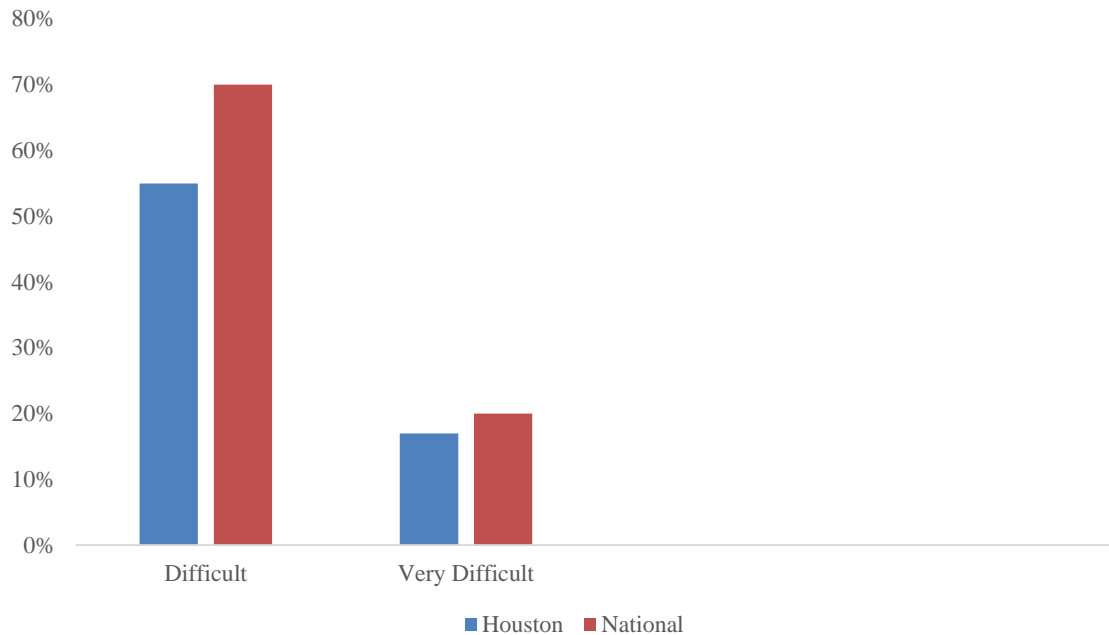
Given the level of difficulty to find qualified people to serve on the board, it becomes interesting to know whether or not the perception of how difficult it is to find people to serve on the board impacts the composition. When analyzing the 156 respondent organizations, the F-statistic was .82 and the p-value was .36, well outside of the .05 threshold. It appears that the perception of difficulty in recruiting qualified board members is not directly related to a board's diversity ratio.

Further analysis into the reported difficulty of board recruitment raised questions about which skills and characteristics are important in the member selection process. Question 13 asked the executive director's "In the past two years, how important was each of the following in the selection of new board members," and they were asked to rank each characteristic, using the scale from Ostrower's (2007) study, as either Not at all Important, Not too Important, Somewhat Important or Very Important. According to the 184 executive directors' responses, the most important characteristics in selecting a board

member in Houston are knowledge of the organization's mission area, willingness to give time to the organization and the individual's reputation in the community (see Table 14). The top characteristics identified in this study are similar to the positive associations Ostrower's study found between recruitment criteria and board activity. She found the following recruitment criteria: knowledge of the organization's mission area (rated first in this study), the willingness to give time (rated second in this study) and having business or financial skills (rated fourth in this study) were all positively associated with board activity (The Urban Institute, 2007, p. 16). The least important board recruitment criteria in this study – all rating lower than diversity characteristics of race, gender and age – were whether they represent the clients the organization serves (rated eleventh), if they have done previous volunteer work for the organization (rated tenth) and whether they are a friend or acquaintance of a current board member (rated ninth). Ostrower also reported that "an emphasis on friendship or acquaintanceship with current board members had a negative association in every board role except fundraising (where it had no impact)" (The Urban Institute, 2007, p. 16), so Houston boards would be wise to maintain friendship with current board members as a low-priority criterion for board recruitment.

TABLE 14: Characteristics Important in Selecting Board Members

Question	Not At All Important	Not Too Important	Somewhat Important	Very Important	Total Responses	Mean
Ability to donate or fundraise	18	16	72	78	184	3.14
Business or financial skills	8	14	95	67	184	3.20
Knowledge of the organization's mission area	4	13	61	106	184	3.46
Previous volunteer work for the organization	39	80	52	13	184	2.21
Willingness to give time to the organization	2	17	61	104	184	3.45
Members in group served by the organization	63	58	43	20	184	2.11
Reputation in the community	9	22	66	87	184	3.26
Friend or acquaintance of one or more current board members	40	70	54	20	184	2.29
Racial or ethnic diversity	17	38	83	46	184	2.86
Gender diversity	20	49	76	39	184	2.73
Age diversity	29	62	66	27	184	2.49

As Table 14 demonstrates, visible diversity is not among the organizations'
priority characteristics for selecting board members, with diversity characteristics ranking
sixth, seventh and eighth out of eleven possible responses. Although race and gender
were close in ranking, the respondents indicated racial or ethnic diversity was of the

highest priority followed by gender diversity and age diversity. The notion that diversity

is not a current priority is underscored by the high percentage of respondents who

identified diversity as not at all important or not too important when they were asked to

rate, in Question 13, whether each of three diversity characteristics were important in

selecting board members at their organization in the past two years (see Table 15).

TABLE 15: Diversity Characteristics Importance to the Organizations

Diversity characteristic	Percent of respondents who identified diversity as not at all important or not too important
Racial or ethnic diversity	30%
Gender diversity	38%
Age diversity	49%

However, the respondents indicated a high concern regarding professional skills such as

business and finance. Only twelve percent identified professional skills as not at all

important or not too important when ranking board selection criteria in Question 13, and

that is further supported by the responses to Question 14 that asked whether or not

diversity characteristics of age, ethnicity, gender and profession were discussed at the

board level regarding board member recruitment (see Figure 21).

FIGURE 21: Diversity Characteristics Discussed by Board for Recruitment
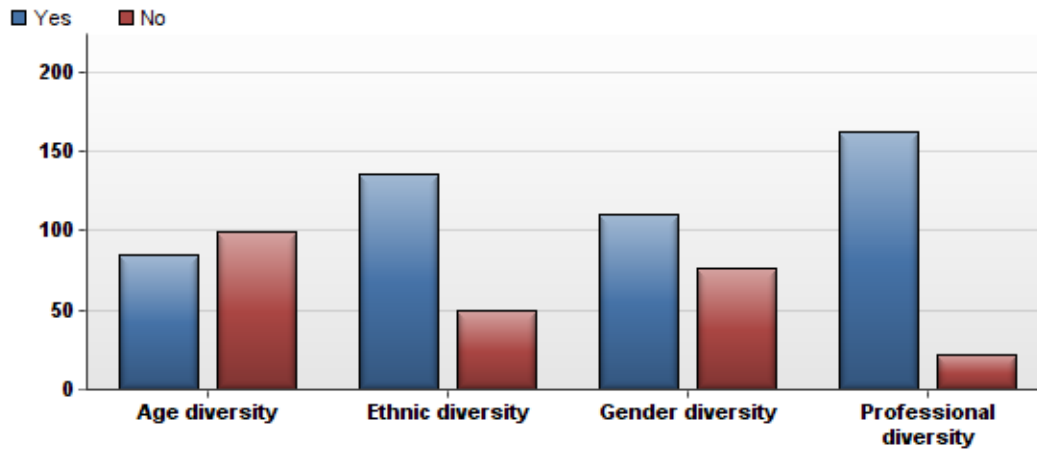
Despite the fact that professional diversity was the highest priority diversity characteristic identified regarding board recruitment in this study, the executive director respondents perceive that their boards believe that board member diversity is important for their organizations to achieve their goals (See Table 16). In Question 15, respondents were asked to describe their boards' perception as to how important board diversity is for the organization to achieve its goals by selecting one response from four options ranging from board diversity is critical for effectiveness and sustainability to board diversity is not an important factor for our organization to achieve its goals. As the table indicates, 85% of the executive directors reported that their boards believe board diversity is either critical or important to the organization. Of course, it is important to take into consideration that the responses to this question are subject to bias in which the executive directors may want to project a positive impression of their boards. It would be interesting to directly ask the board members of these organizations the same question to learn the individual perceptions and to compare to the executive director response.

TABLE 16: Perception that Boards Believe Diversity is Important to Achieve Goals

Answer		Response	%
Yes		157	85%
No		27	15%
Total		184	100%

   The executive director respondents reported an even stronger belief that board diversity is currently an important issue for their organizations. In Question 16, the respondents were asked "As the Executive Director/CEO of the organization, do you believe board diversity is an important issue for your organization currently?" Ninety one percent of the respondents indicated that board member diversity is currently important, and the majority of them indicated that it was because it was important to represent their community or clients. The second most popular reason it was important is to sustain the organization, followed closely by diversity being important for the organization's effectiveness (see Figure 22). In the "Other" response category, two respondents indicated all three reasons for diversity are important, one claimed it was important to engage all audiences and only one of the 184 respondents indicated that diversity was important because it is one of the organization's core values.

FIGURE 22: Executive Director Rational for Why Board Diversity is Important
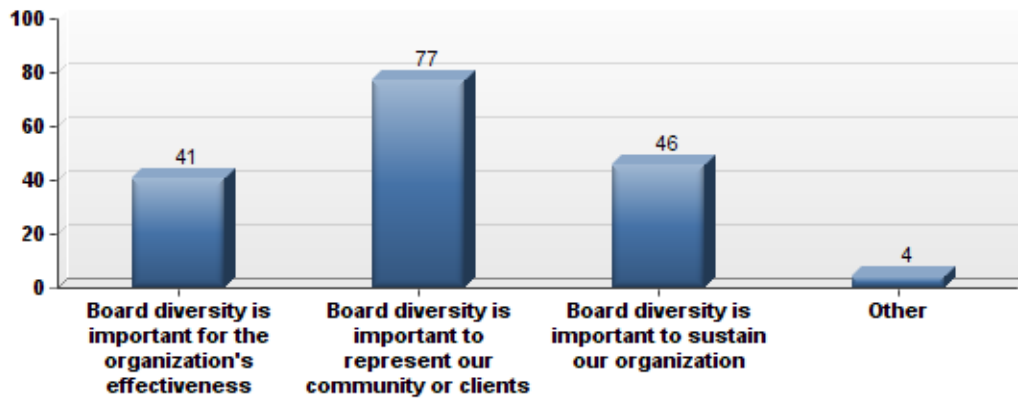
Of the nine percent of executive director respondents who reported that diversity is currently not an issue at their organization, 38% explained that it may be an issue in the future, while 31% explained that board diversity is not important to represent the community or clients and another 19% believe board diversity is not important to sustain their organization (see Table 17). Only one of the respondents expressed that the lack of focus on board diversity was due to the "limited nature of potential board members, and skill sets and interests are more important that diversity at this time."

TABLE 17: Executive Director Rational for Why Board Diversity is Not Important

Answer		Response	%
Board diversity is not important for the organization's effectiveness		1	6%
Board diversity is not important in our ability to represent our community of clients		5	31%
Board diversity is not important in our ability to sustain our organization		3	19%
Board diversity is not a pressing issue at this time, but may be an issue in the future		6	38%
Other		1	6%
Total		16	100%
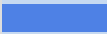
Although 85% of the executive directors reported that their boards believe diversity is important for their organizations to achieve goals, the analysis indicated no relationship between boards believing diversity is important and the diversity of board composition. The reported perception that boards lack urgency about having diverse members does not appear to be related to the boards' current composition.

Executive Director Perceptions (Questions 14-19)

The last part of the survey addressed the executive directors' perceptions of board governance models and diversity at their organization. First, the executive directors were asked, in Question17, "which of the following board models best describes your perception of how the board currently functions?" and they could select one answer from the following five options: corporate model, resource dependence model, representation model, hybrid model or not sure what model our organization is currently most like. Nearly half of all respondents claimed they used a hybrid model, which was defined as a combination of the following three models: corporate, resource dependence and

representation. The individual model most selected was the corporate model, which was

defined as when the primary role of the board is to oversee the management of the

organization, followed by the resource development model and the representation model.

(See Table 18).

TABLE 18: Executive Director Perceptions of their Organization's Governance Model

Answer		Response	%
Corporate model (model in which the primary role of the board is to oversee the management of the organization)		49	27%
Resource Dependence model (model in which the primary role of the board is to provide financial resources and to promote the organization in the community)		22	12%
Representation model (model in which the primary role of the board is to represent the community in which the organization operates and/or the constituency the organization serves)		15	8%
Hybrid model (a combination of the models described above)		91	49%
Not sure what board model our organization is currently most like		7	4%
Total		184	100%

One goal for this question was to use the data to determine if there was a

relationship between the governance model used and the current diversity ratio on the

board. A regression yielded an F-statistic of 1.41 and a p-value of .234, which is well

outside the threshold for statistical significance. As of now, there is no evidence that

boards using a particular type of governance model are currently more diverse. From this

analysis, we cannot conclude that the executive directors' perception of the governance

model their organization utilizes has a direct relationship with the current level of

diversity on their boards. If the relationship between the governance model and diversity

ratio was to be studied further, it would be important to understand when the governance

model was adopted and to compare the diversity ratio of the board before and after the model was implemented by using longitudinal data.

However, the results from this question are interesting because the usage of governance models reported does not agree with the results from two other questions in this survey. Earlier in the survey, 49% of the respondents claimed that diversity was most important for their organization to represent their community and clients. If that is the case, one would expect to see a high percentage of organizations utilizing a representation model for governance; yet, only 8% of the respondents in this survey claimed to use a representation model. Moreover, in Question 18, representing the community in which the organization operates ranked fourth in the highest priority category and representing the constituency we serve rated last with only 5.43% of respondents ranking it as the most important characteristic for their organization's health. Furthermore, these two representation characteristics had the most responses in the two least important categories. The low percentage of organizations using a representation governance model is at odds with the respondents' reported importance of representation and the governance model. This contradiction became more apparent in the responses to the next question.

In Question 18, the respondents were asked to rank the importance of five board characteristics for their organizations' health, using 1 for most important and 5 as least important. These executive director respondents ranked these five board characteristics in the following order of importance for their organization's health (see Table 19).

TABLE 19: Board Characteristics Ranked by Importance for Organization Health

Ranking most important to least important	Board Characteristic
1	Board having capacity to raise money for the organization
2	Board having a variety of professional experience to advise and govern the organization
3	Board providing oversight to the organization
4	Board representing the community in which operate
5	Board representing the constituency we serve

As one can see in Table 19, the executive directors ranked that the board having capacity to raise money for the organization as most important to the organization's health; yet, only 12% reported using a resource dependence governance model. Again, there is a wide gap between the perceived importance of board function and the governance model being used. There is a clear difference between the executive directors' responses related to the importance of representation and the governance models used in this survey, which will be discussed further in the next chapter.

Another characteristic related to the corporate governance model – providing oversight to the organization – raised questions regarding the executive directors' perception of governance models. Although providing oversight to the organization ranked second as most important board for the organization's health, that characteristic did not rate highest in any of the rating columns (see Table 20). Further analysis indicated that providing oversight rated third among all characteristics, despite the corporate governance model being reported as the most used governance model by 27% of the respondents in Question 17. Since the corporate model was reported as the most used of models, one might expect a higher rating for the boards' role in providing oversight to the organization in this question.

TABLE 20: Ranking Data for Board Characteristics Ranked by Importance

Answer	1	2	3	4	5	Total Responses
Board providing oversight to the organization	27.17%	23.37%	18.48%	15.76%	15.22%	184
Board representing the constituency we serve	10.33%	10.87%	14.13%	**30.43%**	**34.24%**	184
Board representing the community in which we operate	5.43%	13.04%	**32.07%**	29.35%	20.11%	184
Board having capacity to raise money for the organization	**35.33%**	22.28%	15.22%	8.15%	19.02%	184
Board having a variety to professional expertise to advise and govern the organization	21.74%	**30.43%**	20.11%	16.30%	11.41%	184
Total	184	184	184	184	184	-

Responses to the final survey question, Question 19, also supported the importance of the boards having the capacity to raise money for the organization. When asked to complete the sentence "It would be most helpful to the organization if the governing board members would _____", 71 percent of the executive directors selected the response "help raise more money" (see Figure 23).

FIGURE 23: What Boards Could Do to Most Help the Organization

These results were analyzed to determine if there was a relationship between what the executive directors' perceived to be the board function most helpful to their organizations and the current diversity ratios on their boards. The F-statistic was .672 and the p-value was .571, again, this falls outside the threshold of statistical significance, and we cannot conclude that the executive directors' perception of it being most useful for the boards to raise more money for their organizations has any relationship to the diversity ratio of their current boards. The respondent organizations that rated fundraising as the most important board function did not have a pattern of lower diversity on their boards. This result may deserve more research attention because it has been suggested in some fundraising literature that board homogeneity may be related to board fundraising requirements.

This study provided insight into the composition of Houston area boards compared to national studies, as well as into the role of board procedures and executive directors' perceptions being related to board diversity. The data demonstrated that Houston boards are 9% more racially diverse than in the national study conducted by Ostrower, and it confirmed that white board members continue to be overrepresented on boards, especially when compared to the Houston population. Only 13% of Houston boards reported composition of entirely white, non-Hispanic members compared to 45% of boards located in other metropolitan statistical areas (MSAs) and 66% outside of MSAs. However, an analysis comparing board diversity ratios to the population of the community in which they operate did not provide any evidence that there was a relationship between board diversity and diversity of the community.

Additionally, this study provided insight into age and gender diversity. Data also revealed that there is statistical significance related to the age of board members and diversity ratios on boards – if board members are primarily 65+ years of age, there is lower diversity on the board. Also, this study suggests that youngest board member category has the most ethnic diversity and is beginning to mirror the Houston population. The data found the gender diversity of board members to be equal to that in national studies, with 46% female representation; however, this study identified that women are underrepresented on the executive committees of nonprofit organizations. Furthermore, the results of this study contradict Ostrower's findings that "boards of smaller nonprofit are more likely to be predominantly white." These findings indicate that boards of smaller nonprofits are more likely to be diverse, while organizations with other $2.5 million in annual revenue have predominantly white boards.

Regarding board processes, we learned that Houston boards are slightly larger than the average board size in Larcker et al.'s (2015) study, 17 members vs. 15 members, and that Houston boards use executive committees at twice the rate reported in Larcker's research. And, respondents reported that it was less difficult to recruit board members in Houston than in the national study. This study revealed that 33% of responding organizations do not have a standing committee committed to the board recruitment and selection process, and that those organizations that do use such a committee most commonly refer to it as the nominating committee. There was no evidence that suggests the name of this committee has any relationship with board diversity. It also revealed that only 47% of boards in Houston are utilizing a tool or matrix to manage board

recruiting and, contrary to prescriptive work in the fundraising profession, development staff members have little responsibility for identifying prospective board members.

Finally, the data related to the executive directors' perceptions suggest a dichotomy between board governance models and the characteristics that are perceived to be most important for the organization. The data show that both boards and executive directors value board diversity and report that it is important to their organizations so the board can represent the community in which it operates and the constituents it serves; however, only 8% of respondents reported using a representation governance model that is best aligned with the described value for diversity. Diversity was not considered a priority among eleven board recruitment criteria, but professional diversity was a top concern for board recruitment followed by diversity of race, gender and age. Another clear result from this study is that fundraising is an important role for boards and that the ability to fundraise is a priority characteristic considered when recruiting board members. Overall, the results from this study are both confirming and conflicting, and they offer guidance for future research and practice.

CHAPTER FIVE – SUMMARY AND CONCLUSIONS

This research examined nonprofit board governance in the most diverse metropolitan area in the United States – Houston, Texas – with the intent to learn about the diversity of boards and whether board diversity may be affected by specific board procedures or an executive directors' perception of the organization's governance model. This chapter will provide a summary of this governance research related to the specific research questions, along with conclusions based on the survey data, implications of these findings and suggestions for nonprofit practice. It will also discuss limitations of this study and make recommendations future research related to nonprofit governance and diversity.

The general board composition analysis offered insight to board size and use of executive committees in Houston. It was determined that the average nonprofit board size in Houston is 17 members, which is slightly larger than boards in the 2015 Larker study and the Ostrower baseline study. The fact that Houston boards are larger than the average board size is not surprising given the reliance on event-based fundraising in the region and the tendency to replicate successful events from local arts organizations – the subsector that historically has the largest boards. While it is not the most effective type of fundraising and can be argued a poor use of human capital, the majority of organizations in Houston hold large fundraising events that require large numbers of volunteers to plan. Galas raising more than a million dollars in in one night are fairly typical, and such events are considered a sign of becoming a well-established nonprofit organization in the region. Reflecting on the board members' reactions in the Larcker study and the data from this Houston study that indicated a trend of board size increasing

with organization annual revenue, it would be interesting to further investigate the roles of members on the large boards in Houston and to explore whether size is indeed related to fundraising activity.

The composition study indicated that average size of executive committees in Houston is six members, but another finding was unexpected. According to this data, 73% Houston executive directors reported using executive committees compared to 52% national average and more than twice the rate of the formal executive committee use reported in Larcker et al. (2015), which was 35% of organizations. It is difficult to imagine that an increased average board size of two members can solely explain why executive committees are so widely used in the Houston nonprofit environment, compared to national data. It would be interesting to investigate the local utilization of executive committees in more depth to learn more about how they function in the governance structure and their responsibilities.

These general board composition findings were in addition to the research questions for this study, which are discussed in more detail below.

Question 1 – Are nonprofit boards in diverse communities more diverse?

The data from this study are inconclusive. Houston nonprofit board composition is 9% more diverse than the national board average and more diverse than nonprofit boards in other MSAs as identified by Ostrower. As noted earlier, Ostrower's 2007 national study for The Urban Institute found that 45% of boards in MSAs and 66% of boards outside of MSAs are comprised of all white board members, but this research found that only 13% of Houston nonprofit boards are entirely comprised of white

members. This data suggests that boards are more diverse in Houston, which is the most diverse city in the country.

The study contradicts Ostrower's claim that nonprofits with the smallest revenues tended to be predominantly white; whereas, this study indicated the boards with less than $2.5 million in annual revenue were diverse, and that the gaps in diversity were in organizations from the $2.5 million to $9 million categories. Organizations with small annual revenue tend to be locally concentrated, so perhaps the difference in board composition diversity between Ostrower's national study and this Houston study may be related to the diverse populations in Houston's neighborhoods.

In an attempt to understand whether nonprofit boards in more racially diverse communities are more diverse, board composition data was compared to the population diversity in the neighborhood in which the nonprofit organization is located. After analyzing the board composition by zip codes, there was no correlation between the resident population of a zip code and the racial representation on boards of organizations located in that same zip code. In fact, the lack of similarity between the populations and board composition was great. The population and board composition fell within three percent of each other in only 25% of the possible combinations. For example, zip code 77074 has a 43% Hispanic population, but the nonprofit boards in that neighborhood are comprised of 8% Hispanic members. Likewise, the population of zip code 77004 is 71% African American; yet, the nonprofit boards in that zip code are 22% African American. No correlations between the population of a zip code and board composition could be identified in this analysis; therefore, it cannot be concluded that nonprofit boards in diverse neighborhoods are more diverse.

Given the data demonstrating that Houston boards are more diverse than boards in other MSAs and other communities around the country, it would be interesting to continue this research employing more sophisticated Geographical Information Systems tools and conducting comparison by counties in the greater Houston area, other metro areas and census tracks.

Question 2 – Are women leading nonprofit boards by serving on executive committees or are they serving in lesser leadership roles?

The gender diversity on Houston boards equals that of the national average Ostrower (2007) found – 46% of nonprofit board members are women. However, this analysis found that women are not leading Houston nonprofit boards by serving on board executive committees. Gender equality on executive committees initially looked strong with women accounting for 43% of all executive committee members in the study; however, this data was skewed by the seven boards that are entirely comprised of women. More analysis determined that women comprise 50% or less of executive committee membership in 70% of all boards in the study. The data further revealed that Houston executive committees are comprised of 30% women on average, but the most common scenario reported was that women represent 17% of the executive committee, which equals one woman serving on the average size executive committee of six members. The results from this study suggest that women are underrepresented in nonprofit board leadership and that tokenism may play a role regarding women serving in nonprofit board leadership positions. It is worth further investigation to learn why so few women are serving on executive committees in Houston. Moreover, it would be interesting to examine this question in other metro areas or nationally to learn whether this finding of –

a mode of one female per executive committee – is a regional trend or common throughout the country.

Question 3 – Do board recruitment procedures, such as having a designated committee for board member selection and using a matrix to identify gaps in diversity lead to more diverse boards?

Board procedures define how the board executes functions and are easily controlled; therefore, this research question was designed to identify whether or not two specific procedures may affect the diversity of the board. As reported in chapter four, regression indicated there is no relationship between the board recruitment procedures of having a designated committee for board selection or using a matrix to track composition and the current diversity ratio on the board. Given the lack of evidence between these board procedures and diversity, practitioners can continue to use these as best practice for managing workflow but cannot rely on these procedures to increase the diversity on their boards.

Furthermore, the analysis of board diversity by zip code did not reveal any evidence of a relationship between board diversity and whether racial diversity was talked about at the board level. In the two zip codes with the most diverse boards, the executive directors' reported that fewer than 40% of the organizations have addressed the topic of racial diversity at the board level. From the results of this study, board procedures designed to heighten awareness of gaps in diversity and increase attention to racial diversity do not appear to result in boards with greater diversity ratios. Neither using a designated committee for board selection nor the name of that committee was

found to be significant in this analysis. Again, there was no evidence that these board

procedures, alone, impact board diversity.

Question 4 – Is board diversity affected by whether the responsibility for member

selection lies with the staff, a board committee or the entire board?

The responsibility for identifying prospective board members is challenging

because one must find individuals who meet a variety of characteristics for the

organization. This identification often begins in the development office because that

function can identify individuals with capacity who have already voluntarily supported

the organization. In other cases, this responsibility is solely held by board members. In

Houston, it was reported that board recruitment responsibility rests with the board, and

the Board Chair and organization CEO have the most influence in the process. As

reported in Chapter four, the results from this study indicate there is no evidence of a

relationship between the party responsible for identifying prospective board members and

the board diversity ratio.

Question 5 – Is board diversity considered a priority among nonprofit boards in this

study?

The results from this question require further investigation, as they contradict

other results in the survey. According to the executive directors surveyed, 85% of them

reported that their boards believe diversity is important for their organizations to achieve

their goals, and 91% of the executive directors agreed that diversity is important for their

organizations. Yet, data in Tables 14 and 15 point to the fact that diversity is not

considered a priority in selecting board members at these organizations. Only 25% of the

respondents indicated that racial or ethnic diversity was very important when selecting

board members, and gender and age diversity were reported at even lower levels. Additionally, 30% of the respondents reported that racial or ethnic diversity was not at all important or not too important, with gender and age diversity again being rated with even lower importance.

Most puzzling is the disconnection between the responses that claim diversity is important to sustain their organizations and the lack of actions reported that support the claim that diversity is important. More than 85% of respondents reported that diversity is important to their organizations; yet, they reported little discussion of it at the board level. The respondents claimed that diversity was most important to represent their communities and to represent their constituencies, but they do not utilize representation governance models. Diversity characteristics of race, gender and age consistently rated low as criteria that are valued in the selection process, and the composition analysis indicates that there are a variety of gaps of diverse representation on the boards involved in this study. While 38% of the executive directors reported diversity may be an important issue in the future, Figure 22 illustrated that respondents do not associate board diversity with the effectiveness of the organization. Matter of fact, diversity's importance for effectiveness ranked third behind its importance for representing the community and sustaining the organization. And, only one organization in this study reported that board diversity is important because diversity is one of the core values of the organization. One must conclude that board diversity is not a priority among the organizations in this study, but is perhaps better defined as aspirational.

Question 6 – Does an executive director's perception of the organization's governance model impact board diversity?

126

Nearly half of the executive directors in this study reported their organization utilizes a hybrid governance model rather than a corporate, resource dependence or representation model. The analysis of each type of model and the boards' current diversity ratio indicated that the executive director's perception of the type of governance model the organization is using – their opinion of how the board is primarily functioning – is not related to the current level of board diversity in these organizations. None of the governance models were prevalent in boards with the highest or lowest diversity ratios, and there was no evidence to generalize the findings for this question. As discussed in Chapter 4, it is difficult to explain the relationship between governance models and board diversity without more information and that limitation will be discussed later in this chapter.

Nevertheless, the analysis around the executive director's perceptions of the governance model revealed some of the most intriguing findings in the study because there was misalignment between board governance models, the primary functions of the board and recruitment criteria for these Houston organizations. For example, respondents claimed that board diversity was important to represent the community in which they operate; yet, diversity characteristics of race, gender and age were all ranked in the lower half of recruitment criteria and only 8% of organizations reported using a representation governance model. Furthermore, respondents identified fundraising as the most important function for the board to support the organization, but only 12% of the organizations use a resources dependence governance model.

The responses from this study clearly indicated that executive directors perceive fundraising as a significant board responsibility (see Figure 23). However, this

perspective differs from the 2015 Survey on Board of Directors of Nonprofit

Organizations conducted by Larcker et al. (2015). In Larcker et al.'s study, authors

reported only 42% of board members are serving organizations that require a minimum

financial commitment to the organization, and 90% of the participants in organizations

that require board fundraising reported that function as equally important to their other

board chair functions. The *Harvard Business Review* presented the Larcker et al.

findings by stating that "fundraising is over-emphasized" on nonprofit boards (Harvard

Business Review, 2015, p. 28), and one of the authors, Donatiello, states that fundraising

"should not detract from other core duties…" (Larcker et al., 2015, p.2); yet, this is a

common flaw of analyzing nonprofit boards through a corporate board lens.

For nonprofit organizations, fundraising is typically one of the primary roles of a

board, as this survey of executive directors proves. However, the boards' primary

functions should be reflected in the governance model the organization is using. For

example, if the board's primary role is fundraising for the organizations, the organization

should be using a resource dependence governance model, fundraising should be a higher

priority than the other board roles and functions, and the board recruitment criteria should

be aligned with the goal of the governance model. The disconnection found between the

executive directors' perception of governance models and the most important board

functions and board recruiting criteria combined with respondents claiming that 47% of

them use a hybrid model and 4% do not know what type of governance model their

organization uses raises a concern about whether there may be a lack of understanding

about governance models among Houston nonprofit leadership.

Conclusions

Nonprofit board diversity is an issue that has garnered attention over the past decade for a variety of reasons: increased concern for representation of clients and communities, the business argument for better use of human capital, the moral argument about diversity being the right thing to do and, most recently, demographic changes in the population that challenge what a board member may be like in the future. Despite the U.S. population's increasing diversity, heterogeneity on boards remains elusive, with startlingly high numbers related to white male dominance on nonprofit boards. The average nonprofit board member is still a white male over 65 years old, and the data collected in this study identified that having board members aged 65+ is a predictive variable for less racially diverse boards.

Aside from that, the results of this study reinforced the complexity and elusive nature of recruiting diverse nonprofit boards and ruled out some specific board procedure and executive director perceptions as avenues to increase diversity. Given the literature on various nonprofit governance theories and the challenge to find one that is best suited for nonprofit organizations, it is not surprising to find that the governance models and procedures do not align directly with a particular theory. These results warrant further research to understand the misalignment issues and to learn how the organizations are using hybrid governance models and which nonprofit governance theories are most prevalent in the hybrid models.

Although the composition portion of this study identified that Houston nonprofit boards are nine percent more diverse than the national average, the results do not suggest that these boards will be more diverse in communities with diverse populations. An examination of nonprofit boards in ten neighborhoods indicated that there is no

relationship between the community population and board diversity; yet, Houston nonprofit boards are more diverse than national average for boards and in other metropolitan areas. Additionally, the research indicated there are some apparent gaps in diversity that can be further addressed. For example, diversity trends by subsector that indicate many women are serving in the health and human services, but they are absent from faith-based organizations.

Some of the composition data confirmed national averages, while some contradicted earlier research. For example, this data confirmed that white men dominate board membership and that women comprise 46 percent of board members. Plus, the analysis of women serving in leadership roles suggests that tokenism may be a factor in the roles women play on nonprofit boards. However, the data revealed some contradictory information such as the fact that Ostrower found boards with less than $500,000 annual revenue to be the least diverse; whereas, in Houston, these organizations are highly diverse and the diversity gap tends to be in organizations with mid-range revenue – from $2.5 million to $9 million.

This analysis combined with other trends identified, such the heat maps illustrating race and age, lead one to believe that boards may indeed become more diverse as the population changes over the next twenty years. Board diversity is high in the younger age categories, and in organizations with smaller annual budgets which tend to recruit less experienced individuals for their boards. Could these findings be the earliest indicators that Reskin et al. (1999) and Erhardt et al.'s (2003) notions that boards will naturally diversify is correct, and that collecting longitudinal data over the next twenty years might provide further evidence?

Implications for Research

Some scholars have looked into inclusive practices on boards, most notably Brown (2002) and Bernstein and Davidson (2012), but there have been few studies that examined best practices to see if some of those identified for effective governance could contribute to increased diversity. The findings from this study appear to rule out notions of a direct relationship between board diversity ratios and some specific board recruitment procedures and leadership perceptions about governance models, despite some limitations with the study. There was no significance related to the diversity ratio with independent variables such as the number of women serving on the board or executive committee, whether the organization utilized a specific committee for recruitment, or whether they use a specific tool to track composition and board needs.

There are other board procedures that can be examined; however, the results of this work direct scholars away from procedure and individual perceptions as indicators of board diversity. Instead, it may be wise to incorporate the research around inclusive practices and see how those are effectively executed by boards to amend current procedure and possibly develop new best practices for board procedures that will lead to environments for increased diversity.

Another implication from this work, related to the ongoing research about board diversity and nonprofit effectiveness, is that executive directors do not perceive that diversity is related to board effectiveness. The literature review discussed the mixed findings related to diversity and nonprofit governance effectiveness. Although some research, particularly corporate governance literature, suggests that board diversity may improve board and organization effectiveness, the executive directors in this study do not

see that connection. Scholars may need to invest in qualitative work with executive

directors to learn more about how they understand board effectiveness and if they ascribe

to a particular theory to value diversity. From this research, it appears executive directors

value board diversity for representation, but that they consider diversity a separate issue

from board and organization effectiveness.

Recommendations for practitioners

This research illustrates that there may be opportunities for practitioners to

evaluate their procedures for recruiting board members and to clarify roles and

responsibilities for the board management functions. Executive directors underestimate

the role of staff in helping identify prospective board members. Professional fundraising

training suggests that a best practice is to identify board leaders from those individuals

who are most engaged in the organization through their volunteer involvement and

giving. If boards and board presidents are indeed the key individuals identifying board

prospects, then perhaps the homogeneity of boards is a result of the current board

members only considering their peers for appointment, and Ostrower's (2007) research

indicated that friendship and acquaintance with current board members has a negative

relationship with all board activities. Perhaps organizations would benefit if executive

directors and boards increased development staff involvement in the process of

identifying prospective board members for the organization.

Although this data indicates that basic board recruitment procedures such as

having a standing commitment for recruitment and using a matrix or tool to track

composition are not directly linked to board diversity, it is recommended that these best

practices still be employed in nonprofit governance; however, organization leadership

cannot rely on these practices to ensure board diversity. Additionally, it is recommended that board leadership be attuned to how women, and other minorities, are represented among the board leadership, especially their representation on executive committees. This research indicates that despite women making up nearly half of all board members, it is mostly likely that an average sized executive committee of six members will only have one female.

Next, it would be wise for nonprofit organizations to reflect on why they are using executive committees. This study indicates that Houston nonprofit boards use executive committees at twice the rate of the national average. It would be interesting to understand how those are being used and if this is still a relevant and effective structure for board operations. Given the potential downside for alienating board members outside of the executive committee, there should be a defined use for this standing committee and all board members should understand its purpose.

Finally, it is recommended that nonprofit executive directors connect their governance structure to the goals and values of the organization. This data reveals a conflict between the governance models reported and values of the organization. Although the executive directors overwhelmingly claimed diversity is important to their organizations now and in the future, diversity characteristics were rated among the lowest characteristics to consider in board recruitment. Likewise, the executive directors reported that they and their boards believe diversity is important to represent their communities and their clients, but the representation governance model was not utilized by many organizations in this study. And, if the ability to fundraise is the most valuable characteristic for new board members and the executive directors believe the board would

133

be most helpful if they raised more money for the organization, perhaps the organization's board should adopt a resource dependence governance model to make clear that one of the primary functions of the board is to secure financial resources.

<u>Limitations and Lessons Learned for Future Studies</u>

As discussed in Chapter Three, this research had some limitations. First, the sample selection from GuideStar meant the sample was skewed toward the Health & Human Services subsector and underrepresented faith-based organizations that are not required to file 990s. Additionally, by only including organizations that were contactable, the sample was potentially biased toward organizations that are more mature and professionally operated, and it is likely the executive directors of these organizations have more concern with best board practices than those organizations that could not be reached. Some of the organizations not captured in the sample may have biased the results, particularly those related to leadership gaps in the faith-based subsector. However, the process used for sample selection is one that can be replicated in future studies.

Given the scope of this study to survey executive directors at more than 700 organizations, survey methodology was most efficient. However, that created limitations for the study through self-reporting. While some of the data from organization's was obtained by the researcher through GuideStar and pre-coded into the survey, the 19 question survey relied on the respondents' candor. According to the literature review, self-reporting challenges are constant in nonprofit governance research because the executive or board members may choose to provide answers they feel will best protect their organization's reputation. The complexity of governance research is revealed when

one asks executive directors or board members to address sensitive issues. As mentioned in Chapter 4, the boards and executive directors reported that diversity is important to their organizations, even going as far as to state that representing the community in which they operate as more important to their organization's health than representing the clients they serve. However, none of the data reveal that this conviction is acted upon in the board recruitment process or board policies. Frequently, the responses to other questions contradicted a commitment to diversity by not using a governance model that lends itself to prioritizing diversity or by noting that representation was rated last among all choices regarding what is the most important thing the board can do to for the health of the organization. An inclination to provide a positive response to either protect their organization's reputation or their personal beliefs can skew data, and topics that can be viewed as too sensitive may benefit from further study using qualitative methods.

While the limitations above are fairly common in board governance research, there were also limitations and lessons learned regarding the specific design and questionnaire for this research. One of the primary challenges in the study is that there was not longitudinal data collected for some of the questions that would allow the researcher to prove relationships between variables; therefore, the researcher could only make inferences about the possibility of relationships for some questions. For example, in the board procedure questions, would be important to know when the procedure was adopted and to measure the board diversity ratio prior to that and after the procedure was implemented. Such data would allow researchers to try and isolate the variables to see whether or not they had an influence on diversity, and it may be possible to collect historic data for board composition which could help inform changes in diversity ratios

overtime. Longitudinal data would provide the time lags needed to help prove such relationships, and this would be particularly important to test Reskin et al. (1999) and Erdhardt et al.'s (2003) propositions that leadership naturally diversifies over time. Given this was the first time board diversity data was collected for Houston area nonprofit boards, the diversity ratio data from this study can serve as a benchmark to be used for comparison in future studies. The survey instrument from this study could be amended to try and capture data such as the date procedures were adopted. However, unless the information was documented, that attempt may also pose a challenge because frequent turn over in nonprofit leadership and board term limits may mean no one at the organization has the institutional memory to provide an accurate answer.

Another limitation for the study was directly linking theory to the board procedures and diversity at an organization. In order to see a direct connection between process and diversity, one needs to be able to isolate when the procedure was adopted and there needs to be a way to understand the prevalent theory that applies to the organization governance. Making the assumption that executive directors and boards would base decisions about recruiting procedure based on a specific theory or model is unrealistic. In practice, boards would likely lean toward institutional theory as a prevalent theory because boards operate the way they always have. As this study was designed, there was no evidence to generalize relationships between governance models and board diversity. Further pursuit of this question would benefit from a qualitative study in which the researcher can help identify the underlying theory the organization is using for board governance.

The results from this study gave direction for more informed research, especially in the areas regarding community-level analysis and governance models. First, the zip code analysis to examine whether boards are more diverse in diverse communities could be improved with the use of Geographical Information Systems (GIS) tools. Before exploring this community-level analysis further or conducting a separate study, the researcher would engage a GIS Data Center to learn more about what tools are available for community-level demographic analysis, mapping and data collection by census track over time. Also, it would be useful to collect data regarding the nonprofit organization's service area, which should be readily accessible if they are an agency of the United Way of the Gulf Coast because organizations must provide service area data annually. After all, board representation could be influenced by service provision area with a difference in diversity ratios at the national and local levels. It may be interesting to examine the local versus national level board diversity through organizations with regional offices such as the Girl Scouts of America and the Red Cross.

The results regarding perceptions of governance models suggest that data could be collected differently. Question 17 asked executive directors to choose from five options to best describe the governance model their organization uses; however, nearly half selected hybrid model. The question would be stronger with a follow-up question to respondents that provided definition to their organization's hybrid model. Those who selected hybrid could be asked to explain which of three governance model choices is dominant in their hybrid model or to provide a percentage breakdown of the other models they used in their hybrid model. From the data in this study, it is not clear whether the executive directors understand what governance model is being utilized or if they chose

hybrid as an easy answer. Also, the data demonstrating the misalignment between governance models, the importance of board functions and board recruiting criteria lead the researcher to believe that follow-up research for this topic would be benefit from qualitative methods and interviews, rather than a self-reporting survey.

Aside from learning which questions were effective and how the survey instrument and design might be improved, another benefit of this pilot study was to determine which question topics could be developed for further research. The results helped identify possibilities of relationships and research topics that can be studied independently.

Recommendations for future research

This study identified a few key topics that could be expanded on in future studies, and some related directly to this survey have already been described in the Chapter 4 analysis. After amending the design to capture longitudinal data where necessary, it would be interesting to replicate this study in other metro areas, as a comparative analysis, to identify regional differences and national trends related to the basic composition data. Would one find heightened diversity in other cities with diverse populations like San Diego and New York? Would the diversity trends regarding age and gender mirror the ones found in Houston? Although this type of study would be prohibitive for a dissertation, it would be interesting to design a longitudinal study for Houston nonprofit boards, using lessons learned from this study and the data as a benchmark, to test if the diversity of boards changes overtime as the population changes during the next two decades.

Other demographic data identified in this study could also be explored more deeply, and may require incorporating qualitative and mixed-methods. For example, why do organizations with annual revenue between $1 million - $9 million have gaps in diversity and gender? Can we identify reasons such as practices or value statements that explain the gaps in diversity by subsector? Why do Houston organizations use executive committees at twice the national rate? Is there a reason that women are not serving on executive committees, and is tokenism widespread in nonprofit governance or is this a regional phenomenon? Designing studies to pursue these specific questions would expand our understanding of nonprofit board governance.

Another area that would be interesting to explore further is the role of fundraising and board recruitment. A study that tests the results about whether staff or board members have the primary responsibility for new member selection by analyzing annual fundraising data for organizations would be useful to practitioners. This study claimed the development staff has little involvement in identifying board members, but that contradicts current practice and professional fundraising training that indicates the professional fundraising process identifies prospective board members. Evaluating the annual fundraising data for organizations and comparing that to who has responsibility for identifying prospective board members may unveil some relationship between total dollars raised and who has responsibility for board recruitment.

Although this study indicated that the board practices alone are not significant to influencing diversity, there is an opportunity to examine inclusion policies and practices. Focusing on which inclusion practices increase diversity would create a standard for adoption and allow these best practices to be replicated in throughout the industry.

Research devoted to understanding the alignment of the governance model, the board's critical function and the characteristics valued in recruitment, as alluded to earlier, may help identify whether the board is more efficient when these are aligned.

Finally, a study designed to further examine the results from Question 15 – that indicated executive directors do not associate board diversity with effectiveness – might provide insight into a breakdown in the process to increase diversity. Results from this study indicate boards and executive directors value board diversity, but it seems that diversity is cognitively separate from the executive directors' perceptions of efficiency. Nonprofit literature is mixed about whether or not board diversity improves board performance, so a deeper examination into why executives do not associate diversity with efficiency may create a better understanding of how these topics are connected. It may also unveil some practices that help executive directors make this connection for their board and elevate the importance of a variety of diversity characteristics for their organization leadership.

In conclusion, there is still much to learn about nonprofit board diversity. Houston nonprofit boards have limited leadership despite the rich diversity of the city's population. There are trends that lead one to wonder whether diversity in leadership will indeed change over time, but there is no evidence that demographics of the current population will lead to diverse boards. This research found limited representation for race, gender and age, with specific gaps by subsector and in mid-size organizations. The findings here refute the notion that board procedure and executive director perceptions, alone, influence the diversity ratio on boards. In addition, these findings identified numerous topics that deserve more research attention, particularly those that examine

women's roles on boards, the role of professional fundraising in board selection and governance models in relation to the organization's strategy. The combination of retiring executive leadership – both board members and executive directors – and the rapid pace at which our population is diversifying should create urgency for those who study and work in the nonprofit sector to better understand how to increase diversity in organization leadership. The strength of the nonprofit sector is dependent upon the individuals who engage in it, and the success of nonprofit organizations in the future will demand involving populations who have not traditionally been leaders in the sector.

APPENDICES

APPENDIX A – Survey Lead Letter Invitation

Dear <First Name>,

I invite you to participate in a survey regarding nonprofit board governance and diversity in Houston. I am conducting this study as partial fulfillment for requirements for the degree of Doctor in Philosophy from the Indiana University Graduate School, through the Lilly Family School of Philanthropy. We will release the study findings in aggregate; neither you nor your organization will be identified.

Additionally, as Director of the Rice University Center on Philanthropy and Nonprofit Leadership, I frequently receive questions around board diversity and succession planning for nonprofit boards, and this study will provide information about our current nonprofit leadership environment that will help us prepare for future leadership in the city. The purpose of the study is to learn whether or not Houston boards reflect the diversity of the city and whether particular board models lend themselves to such inclusion.

In a few days, **you will receive an electronic survey with the subject title: Survey for Houston Nonprofit Board Governance and Diversity**. The survey should only take you **15 minutes to complete**, and having a list of your board of directors on hand will expedite the process.

Thank you in advance for your participation. What we learn from this study will help our city prepare for nonprofit leadership transitions and ensure a vibrant nonprofit sector to support and serve the people of the greater Houston area.

Sincerely,

Angela Seaworth, MBA, ACFRE
aseawort@iupui.edu or 713-348-XXXX
Doctoral Candidate, Indiana University Lilly School of Philanthropy
Director, Rice University Center for Philanthropy & Nonprofit Leadership

APPENDIX B – Survey Invitation Letter

Dear <First Name>,

As a follow-up to my email from a few days ago, I invite you to participate in a survey regarding nonprofit board governance and diversity in Houston. I am conducting this study as partial fulfillment for requirements for the degree of Doctor in Philosophy from the Indiana University Graduate School, through the Lilly Family School of Philanthropy.

Additionally, as Director of the Rice University Center on Philanthropy and Nonprofit Leadership, I frequently receive questions around board diversity and succession planning for nonprofit boards, and this study will provide critical information about our current nonprofit leadership environment that will help us prepare for future leadership in the city. The purpose of the study is to learn whether or not Houston boards reflect the diversity of the city and whether particular board models lend themselves to such inclusion.

I would appreciate it if you could take **15 minutes to complete the survey by August 7, 2015**.

LINK INSERTED HERE

Your answers will be kept in confidence, and the survey results will only be reported in aggregate, which means **your name and organization's name will not be disclosed and individual responses will not be identified**. Only the researcher and her academic advising team will have access to the data.

Thank you in advance for your voluntary participation in this survey. Your opinions and the data you share about your board will help the nonprofit community gain more knowledge about nonprofit board models and diversity, while allowing us insight to the current situation in Houston. If you have any questions about the survey, please do not hesitate to contact me at 713-348-XXXX or aseawort@iupui.edu.

Gratefully,

Angela Seaworth, MBA, ACFRE
Doctoral Candidate, Indiana University Lilly Family School of Philanthropy
Director, Rice University Center for Philanthropy & Nonprofit Leadership

APPENDIX C – Survey First Reminder

Dear <First Name>,

Thank you for participating in this study of nonprofit board governance and diversity in Houston. The **survey will close on August 7, 2015, so please consider taking 15 minutes to complete your survey** before then. Remember that having a list of your board of directors on hand will expedite the process.

Thank you in advance for your time and willingness to allow us to learn about your organization. Your answers will be kept in confidence, and the survey results will only be reported in aggregate, which means **your name and organization's name will not be disclosed and individual responses will not be identified**.

Feel free to contact me at 713-348-XXXX or aseawort@iupui.edu with any questions. Sincerely,

Angela Seaworth, MBA, ACFRE
Doctoral Candidate, Indiana University Lilly School of Philanthropy
Director, Rice University Center for Philanthropy & Nonprofit Leadership

APPENDIX D – Survey Final Reminder

Dear <First Name>,

Thank you for considering participation in this study of nonprofit board governance and diversity in Houston. We **must close the survey by 5:00 p.m. on August 7, 2015, so please consider taking 15 minutes to complete your survey** before then. Remember that having a list of your board of directors on hand will expedite the process

Thank you in advance for your time and willingness to allow us to learn about your organization. Your answers will be kept in confidence, and the survey results will only be reported in aggregate, which means **your name and organization's name will not be disclosed and individual responses will not be identified**.

Feel free to contact me at 713-348-XXXX or aseawort@iupui.edu with any questions. Sincerely,

Angela Seaworth, MBA, ACFRE
Doctoral Candidate, Indiana University Lilly School of Philanthropy
Director, Rice University Center for Philanthropy & Nonprofit Leadership

APPENDIX E – Survey Questions

The following questions will help us have a better understanding of nonprofit board governance in the greater Houston area. The survey is only concerned with the governing board of your institution, not advisory or other auxiliary boards, so please only include the main governing body when recording your answers. The survey is divided into three sections, and it should only take 15 minutes to complete. It will be useful for you to refer to a list of your governing board members while answering these questions.

Answers will be reported in aggregate; therefore, no institutions or individuals will be identified in the report findings.

1)   I have been provided information about the general purpose of this study and agree to voluntarily participate in this online survey. Yes or No

Composition
The following questions are regarding the composition of your organization's governing board, not advisory or other auxiliary boards, so please only use the governing board in your responses.

2)   How many board members are currently serving on your board?

3)   Please indicate the number of your board members who are: (OSTROWER CATEGORIES for comparison)
___ # of Hispanic/Latino board
___ # of White (non-Hispanic)
___ # African-American or Black (non-Hispanic)
___ Other

4)   How many of your total board members are:
___ Men
___ Women

5)   Does your board have an Executive Committee? (Yes, No)

   5a) If yes, how many board members serve on the Executive Committee?

   5b) How many women serve on the Executive Committee?

   5c) How many non-White members serve on the Executive Committee?

6)   Please estimate the number of board members in the following age groups: (Your best guess is fine) (OSTROWER QUESTION for comparison)
___ Under 35
___ 36-50
___ 51-65
___ 66 or older

7)   How many members of your board have a professional background or expertise in the following functions: (If zero, please enter "0") (OSTROWER QUESTION WITH DIFFERENT ANSWERS)

___ The organization's field of activity (the programs and services it provides)
___ General Management
___ Law
___ Finance
___ Fundraising

Board Procedure

The following questions are related to procedure and structure the board uses to recruit new members.

8)   Does your organization have a standing board committee to recruit and select new board members? Yes, No

    8a) If so, what is the name of that committee?
       ___ Nominating Committee
       ___ Governance Committee
       ___ Board Affairs Committee
       ___ Other _____

    8b) Which of the following best describes how the Committee you named above functions in your organization? Please select only one response:
    ___ Year-round responsibilities with concern for total board effectiveness
    ___ Year-round responsibilities for recruiting and training board members
    ___ Limited responsibilities for orienting board members
    ___ Annual responsibility for recruiting and producing a slate of new members and officers
    ___ Other _____

9)   Does your board use a specific tool, such as a matrix or table, to track board composition and to identify gaps in diversity or expertise?   Yes, No.

    9a) If yes, please indicate which of the following characteristics your board selection committee tracks. You may select more than one response.
    ___ Ethnicity
    ___ Gender
    ___ Professional expertise
    ___ Age
    ___ All of the above
    ___ Other

10)   Please complete this sentence, "At our organization the responsibility for identifying prospective board members rests with the _____.
___ Staff
___ Board committee
___ All members of the board

11)   How much influence does each of the following people have in the selection of new board members? (OSTROWER QUESTION for comparison)
                                No influence, Not much, Some, Strong, N/A

Board Committee
Board Chair or President
Other Board Members
Executive Director/CEO
Chief Development Officer
Other Staff
Organization's Member or Clients

12)   How difficult would you say it is to find qualified people to serve on the board?
(OSTROWER QUESTION for comparison)
___ Not at all difficult
___ Not too difficult
___ Somewhat difficult
___ Very difficult

13)   In the past two years, how important was each of the following in the selection of new
board members: (OSTROWER QUESTION for comparison)

	Not at all important	Not too	Somewhat	Very
Ability to donate or fundraise				
Business or financial skills				
Knowledge of the organization's mission area				
Previous volunteer work for the organization				
Willingness to give time to the organization				
Members in group served by the organization				
Reputation in the community				
Friend or acquaintance of one or more current board members				
Racial or ethnic diversity				
Gender				
Age				

Role of the Board at Your Organization
The following questions relate to the role the board plays in your organization.

14)   Have the following topics regarding board member recruitment been discussed at the
board level, at your organization, in the past year? Please select Yes or No for each topic:

	Yes	No
Ethnic diversity		
Gender diversity		
Age diversity		
Professional diversity		

15)   Describe your board's perception as to how important board diversity for your
organization to achieve its goals? Please select only one response.
___ Board diversity is critical for effectiveness and sustainability
___ Board diversity is important to represent our community or clients
___ Board diversity is not a pressing issue at this time, but may be an issue in the future
___ Board diversity is not important factor for our organization to achieve its goals

16)   As the Executive Director/CEO of the organization, do you believe board diversity is an
important issue for your organization currently?

Yes or No

16a) If yes, please select one response that most explains why you believe board diversity is an important issue for your organization currently?
___ Board diversity is important for the organization's effectiveness
___ Board diversity is important to represent our community or clients
___ Board diversity is important to sustain our organization
___ Other _____

16b) If no, please select one response that most explains why you believe board diversity is currently not an important issue for your organization currently?
___ Board diversity is not important for the organization's effectiveness
___ Board diversity is not important in our ability to represent our community or clients
___ Board diversity is not important in our ability to sustain our organization
___ Board diversity is not a pressing issue at this time, but may be an issue in the future
___ Other _____

17)   Which of the following board models best describes your perception of how the board currently functions?
___ Corporate model (model in which primary role of the board is to oversee the management of the organization)
___ Resource Dependence model (model in which the primary role of the board is to provide financial resources and to promote the organization in the community)
___ Representation model (model in which the primary role of the board is to represent the community in which the organization operates and/or the constituency the organization serves)
___ Hybrid (a combination of the models described above)
___ Not sure what model our organization is currently most like

18)   From your perspective, please rank the importance of the following characteristics for your organization's health (rate 1 most important and 4 least important):
___ Board providing oversight to the organization
___ Board representing the constituency we serve
___ Board representing the community in which we operate
___ Board having capacity to raise money for the organization
___ Board having a variety of professional expertise to advise and govern the organization

19)   Please select only one response to complete this sentence: It would be most helpful to the organization if the governing board members would:
___ learn more about our programs
___ help raise more money
___ provide more professional expertise
___ bring new and different ideas to our organization

Thank you for taking time to complete this survey. The study will help us understand the current governance climate and help prepare us for developing future boards.

APPENDIX F – Plot of all 184 participating organizations' location in Houston
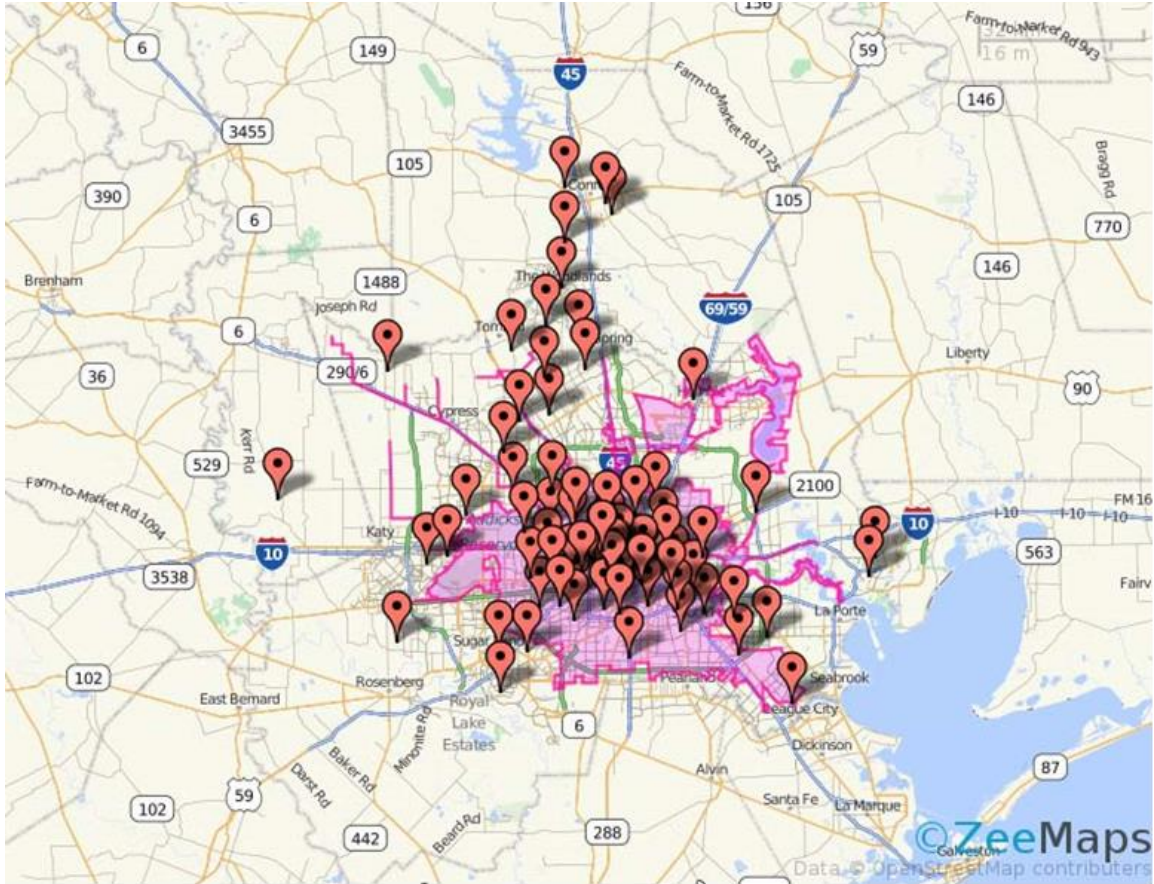
REFERENCES

Abzug, R. and Simonoff, J.S. (2004). *Nonprofit Trusteeship in Different Contexts*. Corporate

Social Responsibility Series. Crowther, D. (Ed). Burlington, VT: Ashgate Publishing

Company.

Alexander, J. A., Morlock, L.L., & Gifford, B.D. (1988). The effects of corporate restructuring

on hospital policymaking. *Health Services Research*. June *23*(2): 311-337.

Alexander, J. A., & Weiner, B. J. (1998). The Adoption of the Corporate Governance Model by

Nonprofit Organizations. *Nonprofit Management and Leadership*, *8*(3), 223-42.

Austin, D. M., & Woolever, C. (1992). Voluntary association boards: a reflection of member and

community characteristics? *Nonprofit and Voluntary Sector Quarterly, 21*(2), 181-93.

Bangs, R. & Constance-Huggins, M. (2003). Diversity within and among Nonprofit Boards in

Allegheny County. Pittsburgh: *University Center for Social and Urban Research,*

October.

Barrett A. L., Iceland, J., & Sharp, G. (n.d.). (2012, September) *Racial and Ethnic Diversity*

Goes Local: Charting Change in American Communities Over Three Decades. US2010

Project. Retrieved from https://www.russellsage.org/publications/diversity-and-disparities

Barta, T., Kleiner, M. and Neuman, T. (2012). Is there a payoff from top team diversity?

McKinsey Quarterly, *12*, 65-66.

Bell, J. Moyers, R. and Wolfred, T. (2006). *Daring to Lead 2006: A National Study of Nonprofit*

Executive Leadership. San Francisco: CompassPoint Nonprofit Service. Washington,

D.C.: Eugene and Agnes Meyer Foundation.

Ben-Ner, A. and Van Hoomissen, T. V. (1994). The governance of nonprofit organizations: Law

and public policy. *Nonprofit Management & Leadership*, *4*(4), 393-414.

Bernstein, R., & Davidson, D. (2012, November). *Exploring the Link Between Diversity, Inclusive Practices, and Board Performance: An analysis of the national BoardSource Nonprofit Governance Index.* Paper presented at the annual conference of the Association for Research on Nonprofit Organizations and Voluntary Action, Indianapolis, Indiana.

BoardSource. (2012). *Governance in 2011: The Year in Review* (Board Members Special ed.), *21*(1), Washington, DC.

Bolduc, V. L. (1980). Representation and legitimacy in neighborhood organizations: A case study. *Journal of Voluntary Action Research*, *9*(1-4), 165-178.

Bowen, W.G. (1994). *Inside the boardroom: Governance by directors and trustees*. New York: John Wiley.

Bradshaw, P. (2009). A Contingency Approach to Nonprofit Governance. *Nonprofit Management & Leadership*, *20*(1), 61-81.

Bradshaw, P., & Fredette. C. (2011). The Inclusive Nonprofit Boardroom: Leveraging the Transformative Potential of Diversity. *The Nonprofit Quarterly, 15*, 21-26. Retrieved from https://nonprofitquarterly.org/governancevoice/11981-the-inclusive-nonprofit-boardroom-leveraging-the-transformative-potential-of-diversity-2.html

Bradshaw, P., & Fredette, C. (2013). Determinants of the Range of Ethnocultural Diversity on Nonprofit Boards: A Study of Large Canadian Nonprofit Organizations. *Nonprofit and Voluntary Sector Quarterly, 42*(6), 1111-1133.

Bradshaw, P., Murray, V., & Wolpin, J. (1992). Do nonprofit boards make a difference?: An exploration of the relationships among board structure, process, and effectiveness. *Nonprofit and Voluntary Sector Quarterly, 21*(3), 227-249.

Bradshaw, P., Murray, V., & Wolpin, J. (1996). Women on boards of nonprofits: what

difference do they make? *Nonprofit Management and Leadership, 6*(3), 241-254.

Bradshaw, P., Stoops, B., Hayday, B., Armstrong, R., & Ryker, L. (1998). *Nonprofit Governance*

Models: Problems and prospects. Paper presented at the Association for Research on

Nonprofit Organizations and Voluntary Action Conference, Seattle, Washington.

Brown, W. A. (2002). Inclusive Governance Practices in Nonprofit Organizations and

Implications for Practice. *Nonprofit Management and Leadership, 12*(4), 369-85.

Brown, W. A. (2002). Racial Diversity and the Performance of Nonprofit Boards of Directors.

The Journal of Applied Management and Entrepreneurship, 7(4), 43-57.

Burke, R. J. (1995). Do Women on Corporate Boards Make a Difference? Views of Women

Directors. *Corporate Governance: An International Review*, Volume *3*(3), 138-143.

Caers, R. DuBois, C., Jegers, M., De Gieter, S., Schepers, C., & Pepermans, R. (2006). Principal-

agent relationships on the stewardship-agency axis. *Nonprofit Management &*

Leadership, 17(1), 25-47.

Callen, J. L., Klein, A., & Tinkelman, D. (2003). Board Composition, Committees, and

Organizational Efficiency: The Case of Nonprofits. *Nonprofit and Voluntary Sector*

Quarterly, *32*(4), 493-520.

Carter, D., D'Souza F. Simkins, B., & Simpson W. G. (2010). The gender and ethnic diversity of

US boards and board committees and firm financial performance. *Corporate*

Governance: An International Review, *18*(5), 396-414.

City of Houston Planning & Development Department (2012). *Race/Ethnicity 1980-2010 City of*

Houston. Retrieved from http://www.houstontx.gov/planning/demographic-data

153

Cnaan, R. A. (1991). Neighborhood-representing organizations: How democratic are they? *Social Science Review*, *65*, 614-634.

CompassPoint Nonprofit Service. (2006). *Daring to Lead 2006: A National Study of Nonprofit Executive Leadership*. San Francisco, CA: Bell, J., Moyers, R., & Wolfred, T.

Corbett, Christopher. (2007, November). *Preventing and Remediating Board Bias in Nonprofit Organizations.* Paper presented at the Annual Conference of the Association for Research on Nonprofit Organizations and Voluntary Action, Atlanta, Georgia.

Cornforth, C., & Brown, W.A. (Eds.). (2014). *Nonprofit Governance: Innovative Perspectives and Approaches* (pp. 47-68). New York, NY: Routledge.

Eagly, A. H., & Carli, L. L. (2003). The female leadership advantage: An evaluation of the evidence. *The leadership quarterly*, *14*(6), 807-834.

Eagly, A. H., & Chin, J. L. (2010). Diversity and leadership in a changing world. *American Psychologist*, *65*(3), 216.

Elstad, B., & Ladegard, G. (2012). Women on corporate boards: key influencers or tokens?. *Journal of Management & Governance*, *16*(4), 595-615.

Erhardt, N. L. Werbel, J.D. and Schrader, C. B. (2003). Board of Director Diversity and firm financial performance. *Corporate Governance: An International Review*, 11(2), 102-111.

Emerson, M.O., Bratter, J. Howell, J., Wilner Jeanty, P. and Cline, M.. (2012). *Houston Region Grows More Racially/Ethnically Diverse, With Small Declines In Segregation: A Joint Report Analyzing Census Data from 1990, 2000, and 2010*. Houston, Texas: Kinder Institute for Urban Research and the Hobby Center for the Study of Texas.

Fama E.F. and Jensen, M.C. (1983). Separation of ownership and control. *Journal of Law and Economics*, *26*(2), 301-326.

Fletcher, K. (1997). *Building Board Diversity: A Case Study of the Western Region Affiliates of Planned Parenthood Federation of America*. Washington, D.C.: The Aspen Institute.

Fredette, C. & Bradshaw P. (2012). Social capital and nonprofit governance effectiveness. *Nonprofit Management & Leadership*, *22*(4), 391-409.

Gajewski, M. (2005). *Strategic Diversity to Increase Human Capital in Public and Nonprofit Organizations*. Dorothy A. Johnson Center for Philanthropy and Nonprofit Leadership, Grand Valley State University.

Gardon, A. (2001). Strengthening Boards of Nonprofit Organizations. *Journal for Nonprofit Management, 5*, 1-8.

Gates, S. (2012, March 5). "Houston Surpasses New York and Los Angeles as the 'Most Diverse in the Nation." *Huffington Post*. Retrieved from http://www.huffingtonpost.com/2012/03/05/houston-most-diverse_n_1321089.html

Gazley, B., Chang, W. and Bingham, L. B. (2010). Board diversity, stakeholder representation, and collaborative performance in community mediation centers. *Public Administration Review*, *70*(4), 610-20.

Gitin, M. (2001). Beyond Representation: Building Diverse Board Leadership Teams. *New Directions for Philanthropic Fundraising, 2001*(34), 77-100.

Groves, R. M., Fowler, F. J. J., Couper, M. P., Lepkowski, J.M., Singer, E., & Tourangeau, R. (2004). *Survey Methodology*. Hoboken, NJ: John Wiley & Sons, Inc.

Guo, C., Metelsky, B.A. and Bradshaw, P. (2014). Out of the Shadows: Nonprofit governance from democratic and critical perspectives. In C. Cornforth and W. A. Brown (Eds.), *Nonprofit Governance: Innovative Perspectives and Approaches* (pp. 47-68). New York: Routledge.

Guo, C., & Musso, J.A. (2007). Representation in Nonprofit and Voluntary Organizations: A

    Conceptual Framework. *Nonprofit and Voluntary Sector Quarterly*, *36*(2), 308-326.

Harrison, Y. D., & Vic Murray. (2012). Perspectives on the Leadership of Chairs of Nonprofit

    Organization Boards of Directors A Grounded Theory Mixed-Method Study. *Nonprofit*

    Management and Leadership, *22*(4), 411-437.

Harvard Business Review. (2015). Governance: The Sorry State of Nonprofit Boards..

    September, 28.

Hayden, E. W. (2006). Governance Failures Also Occur in the Non-Profit World. *International*

    Journal of Business Governance and Ethics, 2(1-2), 116-28.

Herman, R.D., & Heimovics, R. D. (2005). *The Jossey-Bass Handbook of Nonprofit Leadership*

    and Management. Executive Leadership in R.D. Herman and Associates (Eds.). San

    Francisco, CA: Jossey-Bass.

Herman, R. D., & Renz, D.O. (1997). Multiple constituencies and the social construction of

    nonprofit organization effectiveness. *Nonprofit and Voluntary Sector Quarterly*, *26*(2),

    185-260.

Herman, R. D., & Renz, D.O. (1999). Theses on Nonprofit Organizational Effectiveness.

    Nonprofit and Voluntary Sector Quarterly, 28(2), 107-126.

Houle, C. O. (1997). *Governing Boards* (1st ed.). The Jossey-Bass Nonprofit Sector Series. San

    Francisco, CA: Jossey-Bass Publishers.

Hu, E. (2013, July 1) In Houston, America's Diverse Future Has Already Arrived. National

    Public Radio. Retrieved from

    http://www.npr.org/blogs/itsallpolitics/2013/07/01/195909643/tx2020-houston-racial-

    ethnic-diversity-americas-future

Huse, M., & Solberg, A.G. (2006). Gender Related Board Room Dynamics: How Women Make

and Can Make Contributions on Corporate Boards. *Women in Management Review,*

21(2), 113-130.

Jackson, P. M. (2006). *Sarbanes-Oxley for Nonprofit Boards: A New Governance Paradigm*.

Hoboken, New Jersey: John Wiley & Sons, Inc.

Jehn, K.A., & Bezrukova, K. (2004). A field study of group diversity, workgroup context, and

performance. *Journal of Organizational Behavior*, *25*(6), 703-729.

Johnson, J. L. (2009, Spring). The Nonprofit Leadership Deficit: A Case for more Optimism.

Nonprofit Management and Leadership, *19*(3), 285-304.

Joyaux, S. (2011, November 4). I love governance committees! And you should too. *Nonprofit*

Quarterly. Retrieved from: http://nonprofitquarterly.org/2011/11/04/i-love-governance-

committees-and-you-should-too

Kanter, R. M. (1977). *Men and Women of the Corporation* (pp.381-395). New York, NY: Basic

Books.

Kever, Jeannie. (2012, March 5). Houston region is now the most diverse in the U.S. *Houston*

Chronicle. Retrieved from http://www.chron.com/news/houston-texas/article/Houston-

region-is-now-the-most-diverse-in-the-U-S-3384174.php?cmpid=email-desktop

Kochan, T., Bezrukova, K., Ely, R., Jackson, S., Joshi, A., Jehn, K., Leonard, J., Levine, S., &

Thomas, D. (2003). The Effects of Diversity on Business Performance: Report of the

Diversity Research Network. *Human Resource Management, 42*(1), 3-21.

Kramer, V. W., Konrad, A. M., Erkut, S., & Hooper, M. J. (2006). *Critical mass on corporate*

boards: Why three or more women enhance governance (pp. 2-4). Boston: Wellesley

Centers for Women.

Larcker, D.F., Meehan III, W.F. Donatiello, N. and Tayan B. (2015). *2015 Survey on Board of Directors of Nonprofit Organizations*. Stanford GSB, Rock Center for Corporate Governance, BoardSource and GuideStar. April. Retrieved from https://www.gsb.stanford.edu/faculty-research/publications/2015-survey-board-directors-nonprofit-organizations on September 20, 2015.

LeRoux, K. (2009). The effects of descriptive representation on nonprofits' civic intermediary roles: A test of the 'racial mismatch' hypotheses in the social services sector. *Nonprofit and Voluntary Sector Quarterly*, *38*(5), 741-760.

Lysakowski, L. (2012, May 9). Your nonprofit board nominating committee: Get rid of it! *Charity Channel Press*. Retrieved from http://charitychannel.com/nonprofit-board-nominating-committee

McCarthy, K.D. (2001). *Women, philanthropy, and civil society* (Vol. 18). Indiana University Press.

Miller, J. L. (2002). The board as a monitor of organizational activity: The applicability of agency theory to nonprofit boards. *Nonprofit Management and Leadership, 12*(4), 429-50.

Miller-Millesen, J. (2003). Understanding the Behavior of Nonprofit Boards of Directors: A Theory-Based Approach. *Nonprofit and Voluntary Sector Quarterly*, *32*(4), 521-47.

Miller, R., & Triana, M. (2009). Demographic diversity in the boardroom: Mediators of the Board Diversity – firm performance relationship. *Journal of Management Studies, 46*(5), 755-786.

National Bureau of Economic Research. (2006). *The Homecoming of American College Women: The Reversal of the College Gender Gap.* (Working Paper 12139) Cambridge, MA:

Golden, C., Katz, L. F., & Kuziekmo, I. Retrieved from
http://www.nber.org/papers/w12139.

National Center for Nonprofit Boards. (2000). *The Nonprofit Governance Index*. A joint project
with the Stanford University Graduate School of Business. Washington, D.C.: National
Center for Nonprofit Boards.

O'Regan, K., & Oster, S. M. (2005). Does the Structure and Composition of the Board Matter?
The Case of Nonprofit Organizations. *The Journal of Law, Economics, & Organization,
21*(1), 205-27.

Ostrower, F. (2002). *Trustees of culture: Power, wealth and status on elite arts boards*. Chicago:
University of Chicago Press.

Ostrower, F., & Stone, M. M. (2006). Governance Research: Trends, Gaps, and future Prospects.
In W.W. Powell & R. Steinberg (Eds.), *The Nonprofit Sector: A Research Handbook*.
New Haven, CT: Yale University Press.

Parris, S., Cowan A. and Huggett N. (2006). *Report on diversity: Priorities, practices and
performance in Canadian organizations*. Ottawa, Ontario, Canada: The Conference
Board in Canada.

Perkins, C., & Fields, D. (2010). Top management team diversity and performance of Christian
churches. *Nonprofit and Voluntary Sector Quarterly, 39*(5), 825-843.

Pew Research Center. (2013). Hispanic Population in Select U.S. Metropolitan Areas, 2011.
Mapping the Latino Population, By State, County and City. Retrieved from
http://www.pewhispanic.org/2013/08/29/hispanic-population-in-select-u-s-metropolitan-
areas-2011/

Pfeffer, J., & Salancik, G.R. (1978). *The external control of organizations: A resource dependence perspective*. New York, NY: Harper and Row.

Pitkin, H. F. (1967). *The concept of representation*. Berkeley, CA: University of California Press.

Pitts, D. W. (2005). Diversity, Representation, and Performance: Evidence About Race and Ethnicity in Pubic Organizations. *Journal of Public Administration Research and Theory, 15*(4), 615-31.

Presser, S., Rothhgeb, J. M., Couper, M. P., Lessler, J.T., Martin, E., Martin, J., & Singer, E. (2004). *Methods for testing and evaluating survey questionnaires*. Hoboken, NJ: John Wiley & Sons, Inc.

Reskin, Barbara F., McVrier, Debra B. & Kmec, Julie A. (1999). The determinants and consequences of workplace sex and race composition. *Annual Review of Sociology*, *25*, 335-361.

Roberson, Q. M. (2006). Disentangling the Meanings of Diversity and Inclusion in Organizations. *Group and Organization Management, 31*(2), 212-36.

Robinson, M. K. (2001). *Nonprofit Boards that Work: The End of One-Size Fits All Governance*. New York, NY: John Wiley & Sons, Inc.

Rosenblatt, B. (2003, March 14). Governance committees: Positive trend on nonprofit boards. *CompassPoint Nonprofit Services*. Retrieved from https://www.compasspoint.org/board-cafe/governance-committees-positive-trend-nonprofit-boards

Ruigrok, W., Peck, S., Tacheva, S., Grove, P., & Hu, Y. (2006). The determinants and effects of board nomination committees. *Journal of Management Governance*, *10*(2), 119-148.

Savage, G.T., Nix, T.W., Whitehead, C.J., & Blair, J.D. (1991). Strategies for assessing and managing organizational stakeholders. *Academy of Management Executive*, *5*(2), 61-75.

Seiler, T.L., & Tempel, E. R. (1994). Trustees and staff: Building effective fundraising teams. *New Directions in Philanthropic Fundraising*, *1994*(4), 63-80.

Siciliano, J. I. (1996). The relationship of board members diversity to organizational performance. *Journal of Business Ethics*, *15*(12), 1313-1320.

Singh, V., Vinnicombe, S., & Johnson, P. (2001). Women Directors on Top UK Boards. *Corporate Governance: An International Review, 9*(3), 206-16.

Smith, S. R., & Lipsky, M. (1993). *Nonprofits for hire: The welfare state in the age of contracting*. Cambridge, MA: Harvard University Press.

Stanglin, D. (2012, March 6). Study: Houston area passes NYC as nation's most diverse. *USA Today*. Retrieved from http://content.usatoday.com/communities/ondeadline/post/2012/03/study-houston-area-passes-nyc-as-nations-most-diverse/1#.UscTfrTuZzI

Sundaramurthy, C., & Lewis, M. (2003). Control and collaboration: Paradoxes of governance. *Academy of Management Review, 28*(397-415).

The Bridgespan Group, Inc. (2005). *The Nonprofit Sector's Leadership Deficit*. Boston, MA: Tierney, T. J.

The University of Denver Colorado Women's College. (2013). *Benchmarking Women's Leadership in the United States*. Retrieved from http://www.womenscollege.du.edu/media/documents/newbwl.pdf. Lennon, T.

The Urban Institute. (2007). *Nonprofit Governance in the United States: Findings on Performance and Accountability from the First National Representative Study*. Washington, D.C.: Ostrower, F.

Themudo, N. S. (2009). Gender and the nonprofit sector. *Nonprofit and Voluntary Sector Quarterly*, *38*(4), 663-683.

Tocqueville, A. de (1956). *Democracy in America*, New York, NY: New American Library.

Torchia, M., Calabro, A., & Huse, M. (2011). *Journal of Business Ethics,102*(2), 299-317.

United States Census Bureau American Fact Finder. (2014, January 3). Retrieved from http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk.

United States Census Bureau State & County Quickfacts. (2015, October 18). Retrieved from http://quickfacts.census.gov/qfd/states/48/4835000.html.

van der Walt, N., & Ingley, C. (2003). Board Dynamics and the Influence of Professional Background, Gender and Ethnic Diversity of Directors. *Corporate Governance: An International Review*, *11*(3), 218-34.

Van Puyvelde, S., Caers, R., Du Bois, C., & Jegers, M. (2012). The governance of nonprofit organizations integrating agency theory with stakeholder and stewardship theories. *Nonprofit and Voluntary Sector Quarterly, 41*(3), 431-451.

Weisberg, H. F. (2005). *The Total Survey Error Approach: A Guide to the New Science of Survey Research*. Chicago, IL: The University of Chicago Press.

Weisinger, J. Y. (2005). *Understanding the Meaning of Diversity in a Nonprofit Organization*. Las Cruces, NM: New Mexico State University Department of Management.

Weisinger, J. Y. and Salipante, P.F. (2005). A Grounded Theory for Building Ethnically

    Bridging Social Capital in Voluntary Organizations. *Nonprofit and Voluntary Sector*

    Quarterly, *34*(1), 29-55.

Wertheimer, M.R. (2007). *The Board Chair Handbook, Second edition*. Washington, D.C.:

    BoardSource.

Widmer, C. (1987). Minority participation in board of directors of human service agencies: Some

    evidence and suggestions. *Nonprofit and Voluntary Sector Quarterly*, *16*(4), 33-44.

Wise, L.R. and Tschirhart, M. (2000). Examining Empirical Evidence on Diversity Effects: How

    Useful Is Diversity Research for Public-Sector Managers? *Public Administration Review*,

    60(5), 386-94.

Yang, Y. and Konrad, A.M. (2011). Understanding diversity management practices: Implications

    of institutional theory and resource based theory. *Group and Organizational*

    Management, *36*(1), 6-38.

CURRICULUM VITAE

ANGELA D. SEAWORTH

EDUCATION

Indiana University
Ph.D.: Philanthropic Studies with minor in Leadership   June 2016

Indiana University School of Public and Environmental Affairs
Graduate Certificate in Nonprofit Management   December 2004

University of Chicago Booth School of Business
MBA: Marketing and Strategy   June 2000

Denison University
Bachelor of Arts: Communication and Psychology   May 1994

PROFESSIONAL EXPERIENCE

Rice University, Susanne M. Glasscock School of Continuing Studies, Houston, TX
November 2009 – present
Director, Center for Philanthropy and Nonprofit Leadership. Inaugural director for the development of a new academic center offering continuing studies courses, noncredit certificate programs, and Master's level programs. Responsible for strategic planning, management, fundraising, curriculum, recruiting and training 62 adjunct instructors, program evaluation, center personnel, student recruitment and admissions, budget forecasting, community relations and marketing. A member of the Glasscock School Planning Team and participated in the School's strategic planning process.

- Developed strategic vision for the Center based on customized market analysis, benchmarking studies, and constituency survey
- Recruited a national strategic visioning task force of senior business and higher education leaders to provide guidance and input into the vision for the Center and its vision and mission statements
- Developed 5-year business plan and pro forma
- Crafted a development plan and strategic marketing plan to advance the Center, which expanded the Center's geographic footprint from Houston to 38 states and four countries
- Increased enrollment by 123% in three years
- Secured partnerships with 3 national professional organizations (AFP, APRA, AASP) to promote new operations certificate and the Development & Finance Symposium

- Revised 4 existing nonprofit courses resulting in student evaluation overall satisfaction score improvement of 1.3 points higher on a 5-point scale
- Added 23 continuing education courses in fundraising and nonprofit leadership in 24 months, strategically broadening the scope of courses in nonprofit management
- Designed and launched a new website in 2010, redesign in 2012, and developed social media plan with support from the Glasscock School marketing staff
- Secured funding for and launched two noncredit certificate programs: Nonprofit Finance Certificate and Fundraising Operations Certificate
- Operated highest gross margin program of all Glasscock School departments for FY13 and FY14

Marts & Lundy, Inc., Houston, TX   June 2007 – November 2009
Analyst. Conducted custom benchmarking studies for universities and schools regarding funds raised, staffing, budgeting, and advancement best practices, using qualitative and quantitative methods. Provided Capacity Analysis for clients to forecast annual and capital fundraising potential given specified staffing conditions. Developed on-line surveys for client feasibility studies and firm research. Team Leader for the *M&L Minute* quarterly survey and report, served on the Research and Development team.

The Fund Raising School, Indianapolis, IN   September 2006 – May 2007
Doctoral Assistantship. Worked on the Greater Los Angeles Leadership Initiative, sponsored by the Annenberg Foundation, as part of Indiana University's Center on Philanthropy's multi-year project with University of Southern California to research and develop long-term training programs for nonprofit board chairs and executive directors to improve governance effectiveness. Developed surveys to identify progress participants were making throughout the training program and personally contacted participants to provide support for their execution of the governance materials introduced. Reported to the chief investigators and project funder.

Lumina Foundation for Education, Indianapolis, IN   September 2005 – May 2006
Doctoral Intern. Developed strategies for knowledge management, grant coding and tracking in support of the Research and Program team. Researched higher education initiatives focused on higher education leadership, access, and adult learning.

Houston Christian High School, Houston, TX   January 2002 – July 2005
Director of Advancement. Initiated and managed all institutional advancement efforts for HCHS including alumni relations, communications, fundraising, and marketing. Served on campus Leadership Team, consisting of senior administrators and principal to advise Head of School on all campus matters from facilities, financial issues, and strategic direction of the school. Supervised three professionals and over 110 volunteers. Built advancement office from one-person shop, expanding into segmented personal solicitation, major gifts, alumni relations, and planned giving. Raised over $11 million.
- Secured $4 million gift and over $1.7 million in six-figure gifts during fiscal years 2002-04

- Fully funded a chapel, a pavilion, a library renovation, and a student parking lot from 2002-04
- Increased annual fund giving by $112,000 in first year and increased parent participation by 26%
- Introduced planned giving society marketing materials; established and funded three endowments
- Created capital naming opportunities and represented donors with architects on building projects
- Developed integrated communications and marketing plan for school including branding efforts and admissions materials; produced admissions viewbook and storyboard; redesigned and expanded newsletter
- Launched alumni relations program including reunion, giving societies, class agents, Homecoming Weekend, college mentors and internships. Increased alumni volunteer participation by 8%
- Achieved 100% participation in Faculty/Staff annual campaign and increased Board participation by 70%

University of Houston, Houston, TX   August 2000 – November 2001
Director, Annual Giving. Responsible for annual giving strategy, execution and analysis for the University of Houston System. Advised development officers and Deans for 17 colleges to increase annual giving participation and gifts through Telefund, direct mail, e-mail solicitations, payroll deduction and Electronic Funds Transfer. Supervised three professional staff and 40 part-time employees. Budget of approximately $300,000.
- Role as Director included service on the following: University Advancement Executive Team, Development Executive Staff, Senior Management Team, and Major Gifts meetings
- Increased UH main campus Central Annual Fund by 24% to $420,415 while increasing participation by 1%
- Initiated and designed business plans for Faculty/Staff, Parents, and Corporate Annual Fund Campaigns
- Developed integrated marketing campaign for Learning Leading Fund using new logo, alumni organization boards, college and alumni magazines
- Worked closely with University Advancement Services to design accurate reporting for gifts and analysis
- Increased President's Club membership, recognition society for $2,000+ gifts, from 411 to 624 members

University of Chicago, Chicago IL   February 1998 – June 2000
Associate Director, Participation. Designed annual campaign strategic plans for 8 University colleges and divisions, yielding $8 million annually. Managed direct mail operations for the Central Annual Fund and automated phone campaigns for the University, generating annual revenue of $3.2 million. Supervised two professional staff members, and recruited, trained and supervised two student supervisors and calling staff of 25 students.
- Raised $1.32 million, achieving 110% of fundraising goal and a 15% increase over FY 1999

- Restructured calling strategy and Telefund operations leading to increased calling capacity and fundraising progress for all clients. Surpassed fiscal year 1999 pledge totals for 100% of clients
- Initiated new sales training for callers, resulting in increased number of Telefund pledges by 7%
- Wrote new scripts increasing initial ask structures, led to $47 higher average gift
- Invested in data research for the first time in five years, gained 980 pledges and $47,470 paid gifts
- Designed and implemented tiered stewardship program to increase retention and fulfillment, pledge fulfillment increased by 4% at mid-year

Assistant Director, Graduate School of Business Annual Fund. Responsible for coordination of phone campaigns including manual, scripting, budgeting, segmentation, pledge entry, reminders, and analysis.
- Led volunteer recruitment, strategy and management of recent graduate, class agent, and alumni volunteer programs – increased number of volunteers by 22 and volunteer giving by $32,000
- Coordinated matching and stock gift programs and wrote pledge reminders for all Annual Fund donors – increased pledge fulfillment by 10% to 75%
- Personalized stewardship and acknowledgement letters from Dean to $1,000 plus donors
- Tracked campaign goals and naming opportunities for $15 million Gleacher matching challenge

Third Round Application Reader, Graduate School of Business Admissions. Evaluated student applications and made recommendations for admission. Served for one year.

State Farm Insurance Companies, Newark, OH   October 1994 – January 1998
Public Affairs Specialist II. Ohio Region Community Relations, Education and Safety Specialist. Provided Public Affairs training and orientation to agents and employees. Planned events for community programs and represented State Farm on community boards of directors and at nonprofit fundraisers.
- Organized company philanthropic events. Coordinated volunteer recruitment and training for all programs such as Make a Difference Day (1995-1997), Walk America (1996-98), and Operation Feed (1996-98)
- Managed seven Adopt-A-School committees across Ohio, started new programs at five schools
- Promoted and distributed company curriculum kits and safety education programs throughout the region via national conferences, direct contact with school districts and emergency management organizations
- Planned special events, media conferences, and press releases regarding company programs
- Coordinated Speaker's Bureau events, assigned speakers, and trained company representatives

Loaned Executive. Served as the State Farm Insurance representative to the United Way of Licking County (August - December 1997) to raise funds for the annual campaign. Conducted solicitation through presentations, personal visits, letter writing campaign, and telephone.
- Only division to exceed goal for 1997 campaign – increased donations by 100%
- First Loaned Executive to surpass professional division goal in five years
- Solicited personal gifts up to $10,000

TEACHING EXPERIENCE

Rice University, Houston, TX   November 2009 – present
Instructor, Glasscock School of Continuing Studies.
Designed course curriculum and served as lead instructor and session instructors for continuing studies courses in the Center for Philanthropy & Nonprofit Leadership.
- "*Board Chair Imperatives*" Rice University Center for Philanthropy and Nonprofit Leadership on December 5, 2014.
- *"Development & Finance Symposium"* Host and moderator at Rice University Center for Philanthropy and Nonprofit Leadership May 13-14, 2014.
- *"Talent Philanthropy Panel"* Host and moderator at Rice University Center for Philanthropy and Nonprofit Leadership Donor Education luncheon April 29, 2014.
- "*Board Chair Imperatives*" Rice University Center for Philanthropy and Nonprofit Leadership on December 4, 2013.
- *"Development & Finance Symposium"* Host and moderator at Rice University Center for Philanthropy and Nonprofit Leadership June 11-12, 2013.
- "*Comprehensive Fund Development Certificate*" Mentor at Rice University Center for Philanthropy and Nonprofit Leadership February to May, 2013.
- "*Board Chair Imperatives*" Rice University Center for Philanthropy and Nonprofit Leadership on May 2, 2013.
- "*Art of Fundraising II – Culture of Ethics in Philanthropy*" Rice University Center for Philanthropy and Nonprofit Leadership on March 6, 2013.
- "*Board Chair Imperatives*" Rice University Center for Philanthropy and Nonprofit Leadership on October 19, 2012.
- *"Who Says? Ratings, Rankings, and Other Nonprofit Measurement Rigors"* Best Boards 11th Annual Conference hosted by Rice University Center for Philanthropy & Nonprofit Leadership on March 1, 2012.
- "*Board Chair Imperatives*" Rice University Center for Philanthropy and Nonprofit Leadership on October 19, 2011.
- "*Board Chair Imperatives*" Rice University Center for Philanthropy and Nonprofit Leadership on April 6, 2011.
- "*Introduction to the Nonprofit Sector*" Art of Fundraising I: The Fundamentals at Rice University Center for Philanthropy and Nonprofit Leadership on January 10, 2011.

- "*Board Chair Imperatives*" Rice University Center for Philanthropy and Nonprofit Leadership on October 20, 2010.
- "*Effective Nonprofit Leadership*" Leadership Institute for Nonprofit Executives at Rice University Center for Philanthropy and Nonprofit Leadership on October 1-2, 2010.
- "*Introduction to the Nonprofit Sector*" Art of Fundraising I: The Fundamentals at Rice University Center for Philanthropy and Nonprofit Leadership on September 13, 2010.

Guest Lecturer, Jesse H. Jones Graduate School of Business.
- "*Understanding the Nonprofit Sector*" Rice University Jones School of Business
    Executive MBA Capstone Course January 24, 2015
    Professional MBA Capstone Course on January 24, 2015
    Executive MBA Capstone Course January 25, 2014
    Professional MBA Capstone Course on January 25, 2014
    Executive MBA Capstone Course January 26, 2013
    Professional MBA Capstone Course on January 19, 2013
    Executive MBA Capstone Course on January 21, 2012
    Executive MBA Capstone Course on January 22, 2011
    MBA Capstone Course on January 15, 2011.
- "*Understanding Philanthropy to Strengthen Your School*" Rice University Jones School of Business Education Entrepreneurship Program – REEP Summer Institute on July 18, 2012.
- "*Fundamentals of Nonprofit Board/Staff Relationships*" Rice University Jones School Board Fellows Training on January 22, 2011.
- "*Board Basics: Perceptions, Research and Aspirations*" Rice University Jones School Board Fellows Training on January 16, 2010.

Indiana University, Bloomington, IN   January 2006 – May 2006
Adjunct Instructor, School of Public and Environmental Affairs. Designed syllabus and taught V473 Management, Leadership, and Policy undergraduate capstone course for 34 students.

Muskingum Area Technical College, Zanesville, OH   March 1996 - September 1997
Part-time Instructor. Taught six courses over six quarters at a two-year technical college, which has changed its name to Zane State College. Class sizes up to 27 students. Developed lesson plans and prepared lectures for six hours of instruction per week. Administered and graded tests and assignments; completed grade reports each quarter. Participated in professional development courses about addressing student issues.
- COMM 260 - Speech Communications. (3 credit hours)
- ENGL 130 – Essentials of Written English. (3 credit hours)

PRESENTATIONS

"Techniques for Service Learning that Matters" at Rice University's College and Career Readiness Summit on December 8, 2015.

"Board Diversity in Houston: The Stats at Houston Grantmakers' Forum, hosted at the United Way of Greater Houston on December 2, 2015.

"Using Philanthropy to Strengthen Your School" Distinguished Lecturer at the Texas Schools Public Relations Association annual conference in San Antonio, TX on February 24, 2015.

"Fundraising Professionals Are From Mars, Finance Professionals Are From Venus – Becoming Best Friends Forever" Lectured and moderated panel at the Abilia User Conference in Austin, TX on February 22, 2015.

"Using Philanthropy to Advance Your School" Keynote at Houston Area School Public Relations Association Holiday Luncheon on December 4, 2014.

"What's New in Houston Philanthropy" Panelist at the Greater Houston Grantmaker's Forum, Houston, Texas on December 3, 2014.

"Philanthropy Panel: Changing the Way We Think about Charity" Panelist at National Council of La Raza Regional Conference, Houston, Texas on September 26, 2014.

"Lessons on Successful Fundraising" Keynote at Goldman Sachs Institutional Client Roundtable, Houston, Texas on September 23, 2014.

"Strengthening School Culture through Stewardship" Archdiocese of Austin Best Practices Conference, Belton, Texas on September 10, 2014.

"Top Ten Reasons to Love Your Finance Office" Presented and moderated panel at the Austin Chapter Association of Fundraising Professionals Monthly Education Luncheon on July 10, 2014.

"Engineering Your Nonprofit Career" Ask the Experts Conference hosted by Greater Houston Chapter of Association on Fundraising Professionals on February 7, 2014.

"Demystifying the CFRE Exam" Ask the Experts Conference hosted by Greater Houston Chapter of Association on Fundraising Professionals on February 7, 2014.

"*Philanthropy for Now and Forever*" Keynote speaker at Archdiocese of Austin Foundation luncheon, Austin, Texas on November 6, 2013.

"*Building Capacity and Professionalism in the Houston Nonprofit Sector*" Something New for Lunch, Rice University President's Home, Houston, Texas on November 5, 2013.

"*Blending Passion & Analysis to Advance the Organizations You Support*" UBS Siegel Group's Luncheon, Houston, Texas on November 1, 2013.

"*Promote Philanthropy & Advance Your Schools*" Greater Houston Area Association of Education Foundations, Humble, Texas on October 18, 2013

"*Thoughtful Evaluation of Nonprofit Organizations*" Greater Houston Community Foundation Next Generation Group, Houston, Texas on September 18, 2013.

"*Understanding Philanthropy to Advance Your School*" Archdiocese of Austin Conference, Belton, TX on September 11, 2013.

"*Mentoring for Nonprofit Professionals*" Young Audiences National Leadership Conference, Houston, TX on August 7, 2013.

"*Volunteer Management to Advance Your School*" Humble Independent School District Mine the Gap Conference, Kingwood, TX on August 7, 2013.

"*Engineering Your Nonprofit Career*" Association of Fundraising Professionals International Conference, San Diego, CA on April 8, 2013.

"*Demystifying the CFRE Exam*" Ask the Experts Conference hosted by Greater Houston Chapter of Association on Fundraising Professionals on February 8, 2013.

"*Engineering Your Nonprofit Career*" Ask the Experts Conference hosted by Greater Houston Chapter of Association on Fundraising Professionals on February 8, 2013.

"*Partnership Panel*" Panelist at Association of Fundraising Professionals Leadership Academy in Houston, TX on October 19, 2012.

"*Volunteer Management to Advance Your School*" at Humble ISD Education Foundation Mine the Gap Symposium, Humble, TX on August 7, 2012.

"*Ethical Cases in Fundraising*" Roundtable Host at the Association of Fundraising Professionals Greater Houston Chapter Annual Ethics Workshop on July 31, 2012.

"*Understanding Best Practices and the Houston Nonprofit Sector*" Corporate and Foundation Officers Roundtable at the Better Business Bureau, July 10, 2012.

"*Increasing Your Organization's Sustainability Through Fundraising*" custom workshop for Alliance of Community Assistance Ministries, Inc. members on June 20, 2012.

"*Thoughtful Evaluation of Nonprofit Organizations*" Greater Houston Community Foundation Next Generation Group, Houston, Texas on May 15, 2012.

"*Demystifying the CFRE Exam*" webinar hosted by International Association of Donor Relations Professionals on March 20, 2012.

"*Engineering Your Nonprofit Career*" Ask the Experts Conference hosted by Greater Houston Chapter of Association on Fundraising Professionals on February 28, 2012.

"*Volunteer Involvement*" CFRE Review Course on February 27, 2012.

"*How the Center for Philanthropy & Nonprofit Leadership Can Help You Achieve Your Mission*" luncheon speaker for Association of Professional Researchers for Advancement Greater Houston Chapter, hosted at DePelchin Children's Center on February 24, 2012.

"*Status of the Houston Nonprofit Sector and the Center's Role in Supporting It*" Philanthropy & Houston, Downtown Club on January 31, 2012.

"*Bridging the Divide: Contemplating the Foundation Staff/Board Relationships*" Speaker and Panel Moderator at the Conference of Southwest Foundations 63rd Annual Meeting, Lake Tahoe, NV on October 20, 2011.

"*Strengthening Our Schools by Creating a Culture of Philanthropy*" Keynote Speaker and Corporate Giving Panel Moderator at Humble ISD Education Foundation Mine the Gap Symposium, Humble, TX on June 9, 2011.

"*Thoughtful Evaluation of Nonprofit Organizations*" Greater Houston Community Foundation Next Generation Group, Houston, Texas on May 16, 2011.

"*Emerging Trends in Nonprofit Education: The Role of the University*" University Professional & Continuing Education Association Annual Conference, Toronto, Canada on April 8, 2011.

"*Beyond Nursing: Women's International Relief Work in World War I*" Rice University Women's History Month, Houston, Texas on March 17, 2011.

"*Volunteer Involvement*" CFRE Review Course on February 19, 2011.

"*Demystifying the CFRE Exam*" Ask the Experts Conference hosted by Greater Houston Chapter of Association on Fundraising Professionals on February 17, 2011.

"*Understanding the Current State of the Nonprofit Sector*" University Rotary Club, Houston, Texas on January 26, 2011.

"*Strategic Governance for Membership Organizations*" Association of Fundraising Professionals Greater Houston Chapter Board Retreat on January 21, 2011.

"*Future of the Fundraising Profession*" Professional Panel for the Greater Houston Chapter Association of Fundraising Professionals 50th Anniversary Celebration educational luncheon on July 16, 2010.

"*Building and Sustaining Relationships*" CFRE Review Course on February 20, 2010.

"*Demystifying the CFRE Exam*" Ask the Experts Conference hosted by Greater Houston Chapter of Association on Fundraising Professionals on February 19, 2010.

"*Best Practices for Fundraising in the Current Economy*" Keynote address at U.S. Sailing Association National Sailing Programs Symposium on February 4, 2010.

"*Strategic Governance for Membership Organizations*" Association of Fundraising Professionals Greater Houston Chapter Board Retreat on January 25, 2010.

"*Trends in Fundraising*" Greater Houston Association of Education Foundation Executives lunch speaker on October 15, 2009.

"*Ethics in Philanthropy*" Rice University Development Staff Training Seminar on May 18, 2009.

"*Alpha Chi Omega: Feasibility Study and Projections*" presented feasibility study findings and analysis for a capital campaign to the Alpha Chi Omega Board of Directors on August 4, 2009.

"*Demystifying the CFRE Exam*" Ask the Experts Conference hosted by Greater Houston Chapter of Association on Fundraising Professionals on February 20, 2009.

"*Annual Giving Strategy, Direct Mail, Phone Solicitations and Donor Acquisition*" Art of Fundraising I: The Fundamentals at Rice University Glasscock School of Continuing Studies on October 20, 2008.

"*Challenges Women Face in Philanthropic Leadership*" Guest Speaker for Houston Women in Philanthropy Organization's Educational Session on August 13, 2008.

"*Bake Sales to Board Rooms: Women, Philanthropy and Change*" at the Marts and Lundy, Inc. Staff Summer Conference with Martha Keates on August 7, 2008.

"*The Vices of Altruism and Challenge Women Face in Philanthropy*" Guest Speaker for Houston Women in Philanthropy Organization's Educational Session on July 11, 2007.

"*Demystifying the CFRE Exam*" Ask the Experts Conference hosted by Greater Houston Chapter of Association on Fundraising Professionals on February 16, 2007.

"*Annual Appeals and Special Events*" Fundraising 101 Course at Rice University Glasscock School of Continuing Studies on May 17, 2006.

"Case Statements, Research, and Cultivation that Gets You to the Ask" American Humanics Program at the University of Houston on February 10, 2006.

"Annual Giving Matters: The Basics of Conducting Annual Appeals" Development for Catholic Schools Archdiocese of Galveston-Houston Board of Education Workshop on November 12, 2005.

"*Annual Appeals and Special Events*" Fundraising 101 Course at Rice University School of Continuing Studies on October 31, 2005.

"*Annual Appeals and Special Events*" Fundraising 101 Course at Rice University School of Continuing Studies on May 18, 2005.

"Career Development and Preparing for the CFRE" Ask the Experts Conference hosted by Greater Houston Chapter of Association on Fundraising Professionals on February 18, 2005.

"Case Statements, Research, and Cultivation that Gets You to the Ask" American Humanics Program at the University of Houston on February 11, 2005.

"Annual Giving Matters: The Basics of Conducting Annual Appeals" Development for Catholic Schools Diocese of Galveston-Houston Board of Education Workshop on October 23, 2004.

"Capital Campaigns – What to do Before You Start Building" Parkway Fellowship Christian Alliance Church on September 29, 2004.

"Annual Giving More Than Small Gifts…" University of Houston in November 2000.

PUBLICATIONS

Seaworth, Angela, Kristen Schlatre and John Zeitlow. Development and Finance: A House Divided? *Advancing Philanthropy*, page 62-63. Volume 21, Number 2, Spring 2014.

Seaworth, Angela D. On the Same Page. *Advancing Philanthropy*, page 41. Volume 20, Number 2, Spring 2013.

Seaworth, Angela D. Rice University: Building an Academic Center for Nonprofit Education. *Continuing Higher Education Review*, p. 75-182. Volume 76, 2012.

Seaworth, Angela D. Engineering Your Nonprofit Career. *Advancing Philanthropy*, p. 50-51. July/August Volume 19, Number 4, 2012.

Seaworth, Angela D. Giving to Education, *Giving USA 2009*, p. 95-111. *Giving USA*, a publication of Giving USA Foundation, researched and written by the Center on Philanthropy at Indiana University.

MEDIA APPEARANCES

Quoted in "Tips for effective giving: Make your donation count" in the *Houston Chronicle*, Houston Gives edition, on March 27, 2016.

Interviewed for Bauer Business Focus by Andrew Schneider, aired on Houston Public Media KUHF on December 18, 2015.

Interviewed for Ice Bucket Challenge by Miranda for Chinese Xinhua News Agency Houston bureau on September 2, 2014.

Appeared in "Ice Bucket Challenge: Where Are Your Funds Going?" by Maria Corrales, on Fox 26 News evening broadcast, http://www.myfoxhouston.com/story/26367902/ice-bucket-challenge-where-are-you-funds-going on August 26, 2014.

Quoted and governance questions published in "Turning Away Millions that Could Fund Mission" by Mark Hrywna and Patrick Sullivan in *The Nonprofit Times* on May 30, 2014.

Quoted in "Church Credit Cards: Picking a Card & Accepting Donations" by Odysseas Papadimitriou at http://www.cardhub.com/edu/church-credit-cards/ on September 18, 2013.

Quoted in "20 Years of the ACFRE – More Than a Medallion" by S. Sanae Tokumura in Advancing Philanthropy, p. 38-40. Volume 20, Number 2, Spring 2013.

Quoted in "Joining A Nonprofit Board: An Overview" Goldman Sachs Philanthropy Fund, p. 8, March 2013.

Quoted in "The ACFRE – It Matters" by Linda Lysakowski in *Advancing Philanthropy*, p. 32-33. July/August Volume 19, Number 4, 2012.

Panelist *"Philanthropy - The Art of Giving"* Houston8 with Ernie Manouse, Houston PBS, aired on December 23 and 28, 2011.

Quoted in "Houston looks for a generation of top givers" by Todd Ackerman in *Houston Chronicle* on April 4, 2010.

HONORS AND AWARDS

- **M. Anne Murphy Award for Professional Advancement**. Greater Houston Chapter of the Association of Fundraising Professionals, 2015.
- **Nu Lambda Mu**. Indiana University, inducted 2012 inaugural class
- **Rice Leaders Cohort VI**. Rice University, 2012-2013
- **Doctoral Fellowship**. Indiana University Center on Philanthropy, 2005-06, 2006-2007
- **Graduate Fellow**. Indiana University Tobias Center for Leadership Excellence, 2005-06, 2006-2007
- **Preparing Future Faculty Scholar**, 2006
- **Who's Who Among American Universities and Colleges**, 1994
- **University of Chicago Business Fellow**. University of Chicago Graduate School of Business, 1993
- **J. Budd Long Journalism Scholarship**. Denison University, 1993
- **Omicron Delta Kappa**. Denison University, inducted 1993
- **Mortar Board**. Denison University, inducted 1993
- **Psi Chi**. Denison University, inducted 1993
- **University Scholarship**, Denison University, 1990-1994

ASSOCIATION MEMBERSHIPS AND SERVICE

- **OneStar Foundation Academic Affinity Group** – Member 2014 to present
- **Aspen Leadership Group CDO Career Network Leadership Council** – Member 2013 - present
- **Association for Research on Nonprofit Organizations and Voluntary Action** – Member 2006 - present
- **CFRE International** – Subject Matter Expert Corps to write CFRE Exam Questions 2004-2006 term
- **Association of Fundraising Professionals International** – ACFRE International Credentialing Board 2015-2019, Fundraising Innovation Center Member 2015-2019, ACFRE Marketing Committee 2012-2014
- **Association of Fundraising Professionals Greater Houston Chapter** – Board Member, Youth in Philanthropy Task Force, and National Philanthropy Day Judge 2011, VP of Professional Advancement and Executive Committee Board Member 2010, Chair CFRE Strategic Goal Committee 2009 – 2010, Chair Member Involvement Committee 2004, Membership Committee 2002-2005, Senior Advancement Group, Member 2000 – present
- **International Leadership Association** – Member 2006 – 2008; 2012
- **Association of Fundraising Professionals Indiana Chapter** – Member 2005 – 2007; Indiana Fundraising Day Scholarship Recipient 2005
- **Council for Advancement and Support of Education** – Member 1998-2005

COMMUNITY INVOLVEMENT

- **Learning to Give** – National Board of Directors Member 2014-2017
- **St. Anne Catholic Community Grants Outreach Committee** – Member 2014
- **Power Tools Conference for Nonprofits** – 20th Anniversary Advisory Board 2013 to present
- **Saint Anne Catholic School Foundation** – Development Committee 2012 to present, Annual Giving Committee 2012 -2013
- **Indiana University Center on Philanthropy** – 25th Anniversary Symposium Planning Committee 2012
- **GenerationOn a Points of Light Institute** – National Content Advisory Committee for *Learning to Give* curriculum 2012-present; National Conference for Volunteering and Service Education Track presentation reviewer 2012-2013
- **Houston Wilderness** – Advisory Board Member 2012-present; Board Affairs Committee Advisory Representative 2012-present
- **University of Houston Nonprofit Leadership Alliance (formerly American Humanics)** – Leadership Circle Advisory Committee 2012-present
- **Rice University** – Voices for Rice Centennial Campaign Staff Committee 2011-2014; Signed letter to Rice community about philanthropy in 2014.
- **Humble ISD Education Foundation** – Volunteer 2008-present; Advisory Board Member 2011-present
- **Alpha Chi Omega Foundation** – Trustee for National Foundation Board 2006-2010, Board Development Committee 2006-2007, Marketing Committee 2008-2009; Nominating Committee 2009-2010; Task Force on Giving Levels 2009-2010
- **Fall Creek Social Events Committee** – Volunteer 2008-2012
- **Indiana Achievement Awards** – Prejudge 2009
- **Indiana University Center on Philanthropy Alumni Association** – Executive Committee, Student Representative 2005-2006
- **DePelchin Children's Center** – Young Friends of DePelchin member 2004-2006
- **United Way of the Texas Gulf Coast** – Young Leaders Member 2003-2007
- **Pro Bono Work –** Houston Zoo, Duchesne Academy, St. Anne's School, First Baptist Academy
- **Denison University** – Alumni Recruiting Team 2000-present, 10th Reunion Fundraising Committee, 15th Reunion Fundraising Committee
- **Alpha Chi Omega** - Central Ohio Panhellenic, Secretary 1995-96; Executive Board Member and Rush Advisor for Loyola University Chicago chapter 1998; Chicago Alumni Club Panhellenic Representative 1998-1999; Executive Board Member and Fraternity Relations Advisor for UH chapter 2000; Fraternity Relations Advisor for HBU Chapter 2002; National Financial Resources Task Force 2006
- **Boy Scouts of America Licking District Board of Directors -** 1996-98 Public Relations District Committee Chair 1996-98. Public Relations Committee 1995-96. Golf Outing Committee Member 1996-97
- **Heart of Ohio Girl Scout Council Board of Directors** – Board Member 1997-98

- **Licking County Safety Coalition** - Board member 1996-98

PROFESSIONAL CERTIFICATIONS

- **Advanced Certified Fund Raising Executive** (ACFRE), 2011 from AFP International
- **Certified Fund Raising Executive** (CFRE), 2002-2011 from CFRE International
- **Associate in Research & Planning** (ARP), 1997 from Insurance Institute of America
- **Certified Toastmaster** (CTM), 1997 from Toastmasters International

SPECIAL TRAINING

Media and Disaster Training, Training for Trainers, Speech Writing, Speaker's Bureau Training, Fundraising Software: Raiser's Edge, Top Giver Professional, CampusCall, ADDS, Sunguard Advance