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An Examination of Various Dimensions Associated with Nonprofit Board Member Diversity: The Significance of Organizational Factors

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AN EXAMINATION OF VARIOUS DIMENSIONS ASSOCIATED WITH

NONPROFIT BOARD MEMBER DIVERSITY: THE SIGNIFICANCE OF

ORGANIZATIONAL FACTORS

A DISSERTATION SUBMITTED TO

THE FACULTY OF THE GRADUATE SCHOOL

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DOCTOR OF PHILOSOPHY

PROGRAM IN SOCIAL WORK

BY

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ABSTRACT

This dissertation examined how leadership and organizational factors influence nonprofit board diversity. The goal of the research was to expand the data available in the social service sector associated with understanding the role of board member diversity within nonprofit organizations. Utilizing data from BoardSource's *Leading with Intent* (2017) dataset, which included responses from 1,378 nonprofit Chief Executive Officers (CEOs), board racial, gender, and total diversity, along with several organizational factors, were included for descriptive and inferential analysis. Organizational factors included CEO racial and gender demographics, organization type, geographical location, revenue, personal contribution of board members, CEO perception of mission and board diversity. Quantitative analysis included the use of ANOVAs, chi-squares, and logistic regressions to explore the relationships that existed between organizational characteristics and board racial, gender, and total diversity. Findings identified that significant positive relationships existed between racially diverse boards and CEO perception of board diversity and organizational mission, organizations with revenues of $1 million to $4.9 million and $ million to $9.9 million, and organizations with women CEOs. Significant positive relationships were also noted between organizations with women CEOs and board gender and total diversity. Significant negative relationships were noted between board \

racial diversity and organizations that are foundations, organizations that require a personal

contribution of board members, and non-White CEOs. Implications included review of

organizational theories, board governance theories, and social justice theories, as well as for

social work practice and social work education.

CHAPTER I

INTRODUCTION

Nonprofit Board Diversity Overview

There is a lack of understanding of nonprofit organization (NPO) board member diversity in the United States. Current research examining NPO board members, including the relationships they hold with the organizations where they serve, is quite limited. Literature on this topic primarily explores how NPO board members impact an organization, but not the other way around. Within the context of NPO boards, organizational frameworks, such as agency theory, resource dependence theory, and institutional theory, have been applied to study various board member functions and roles (Miller-Millesen, 2003; Callen, Klein, & Tinkelman, 2009). However, current empirical research in the NPO sector does not examine the relationship that inclusion has upon board members' experiences, and whether these experiences differ based on individual identities and demographics. The current study will aim to address this gap through a secondary quantitative analysis that includes 1,378 responses from nonprofit CEOs in a national sample. Within the nonprofit realm, diversity, inclusion, and equity was researched for the purpose of this study.

A historical synopsis associated with board member diversity reveals that while the topic is not novel, such conversations have been limited in scope since it began to appear in academic writings in the early 1970s. Though Pfeffer (1972) argued that board diversity can "directly benefit an organization", he was specifically referring to "diversity among board member backgrounds" and not the demographic attributes associated with their personal identities (p.

243). Furthermore, Pfeffer was referring to board diversity as experienced within the for-profit sector and noticeably excluding the social service sector (1972). Over the next several decades, and when used in the context of boards, the term "diversity" would slowly begin to shift to also include the personal identities of board members in addition to demographic compositional diversity (Baysinger & Butler, 1985; Bond & Keys, 1993). Around this same time, diversity began being explored in relationship to nonprofit organizations.

While studying nonprofit board of directors, Widmer (1984) first raised a fundamental question that sits unanswered in most nonprofit board rooms today: "how can organizations achieve diversity among their board members?". Widmer was particularly interested in the intricate relationship nonprofits hold with the communities they serve (1986). She explored this relationship by studying the demographic compositions on nonprofit boards, including the specific experiences that diverse nonprofit board members have (1986). In her research, Widmer (1986) primarily focused on racial and ethnic diversity and suggested that for a nonprofit board to be effective, that members should reflect the client population served by the organization. Specifically, Widmer unpacked how racially and ethnically diverse board members are needed "to design and deliver appropriate services for minority clients" (p. 33). Many of these initial points of analysis described in Widmer's work remain relevant for nonprofit organizations across the US today.

In two sequential research studies, Widmer (1984, 1986) surveyed over 300 board members across New York state and found that approximately 93.5% identified as White. These studies are important because an expansive review of the literature reveals they are the first documented accounts of nonprofit board diversity appearing in an academic publication. Widmer's early questions and data collection brought into focus the very basis of research on

nonprofit board diversity that nonprofits and the social work profession continue to grapple with. Specifically, the data trends associated with nonprofit board diversity reveal that most nonprofit board members across the US continue to identify as White, cisgender, heterosexual, and male (BoardSource, 2017). The basis of this research brings to light a social justice issue that the social work profession continues to explore and navigate. A fundamental question that emerges from this research is: How can nonprofits serve populations that skew non-White if board members who are predominately White are making decisions about service delivery?

To further understand the context and meaning of this important question, nonprofit board diversity was explored to understand its relation to the social work profession. As described by the National Association of Social Workers (NASW), the social work profession adheres to the promotion of diversity and representativeness, which includes equity in society and across the social service sector (NASW, 2016; NLASW, 2016). One of the principal messages is related to "respect for diversity is a fundamental value of the social work profession" and should therefore be found within the demographic composition across the social service sector (NLASW, 2016). The NASW provides standards for cultural competency, which underscore the importance of appropriate service delivery for "multicultural communities" and identifies the importance of working "to address service gaps affecting specific cultural groups" (2016, p. 4). The NASW's push for cultural competency extends to the board governance level, which shows the importance of dismantling "structural and institutional oppression" as well as promoting "diverse and inclusive" nonprofit organizations (2016, p. 5). The NASW showcases how the social service sector can work to prioritize diversity at the board governance level.

Though the social work profession clearly promotes the need for diversity and representativeness across the social service sector, little has been done to address this social

justice issue at the board level. To understand the historical trends on this topic, current statistical trends on nonprofit board diversity was discussed. Studies identify that the number of individuals with historically marginalized identities serving on nonprofit boards has not been greater than 18% of the total national nonprofit board population since researchers began tracking this issue in 1994 (BoardSource, 2017; Nonprofit Business Advisor, 2017; Ostrower, 2007). Data shows that approximately 90% of nonprofit board chairs and 84% of all board members identify as White across the US, exemplifying that White nonprofit board members retain most leadership positions in nonprofit governance (BoardSource, 2017; Ivey, 2018). Additionally, 60% of nonprofit board chairs identify as men, identifying further homogeneity in nonprofit board leadership roles (BoardSource, 2017). Such research demonstrates that since the emergence of literature examining nonprofit board diversity, there has been limited movement addressing the lack of diversity among board members.

One of the fundamental concerns exposed in current literature on this topic underscores that the total number of diverse individuals serving on nonprofit boards across the US is not only stagnant over the past several years. This reality is complicated as data shows nonprofit board members skew White, cisgender, heterosexual, and male, and therefore may share limited overlapping identities with the diverse clients that are served by nonprofits. This reality exemplifies a key issue with nonprofit boards, specifically in that they remain insular, homogeneous in composition, and may lack connection to the needs and realities of their clients.

Overtime, perceptions of nonprofit board diversity have remained consistent across the social service sector. In 2017, a comprehensive national research survey, which included participation from over 1,300 nonprofit organizations, concluded that 90% of CEOs want to increase the number of diverse members serving on their nonprofit boards (BoardSource, 2017).

Nonprofit board diversity is seen as positive for the social service sector, as 64% of CEOs state board diversity is very important for achieving agency goals (BoardSource, 2017). It is worth noting that within these statistics there exists a disconnection between perceptions of nonprofit board diversity and the actual national composition trends seen on nonprofit boards. Existing research in this area is quantitative, which oftentimes reduces inclusiveness of the voices of diverse nonprofit board members. Participants in most research studies on nonprofit board diversity are either nonprofit CEOs or board chairs who identify as White, cisgender, heterosexual, and male. Furthermore, when speaking of nonprofit board diversity, these individuals often inadvertently use patronizing language when speaking about diverse nonprofit board members and diversity topics overall (Daley, 2008).

Key Terms and Definitions

There are several definitions of key terms that were explored in this section. It is worth noting that a number of the main terms, including diversity, equity, and inclusion (DEI) have a multitude of markedly different definitions in other research. For the sake of clarity in this study, these terms were defined broadly. Additionally, there are two main considerations to understand when discussing the definitions of these terms. First, it is worth noting that the preference for definitions of key terms is influenced by myself as I am the main author of this research. The identities of an author, including educational and firsthand experiences, can impact the conceptualization of these terms even when principally based in research. Second, the terms are chiefly being defined within the context of an organizational setting; therefore, the definitions have a specific scope and may lack overall applicability outside of organizations.

Diversity

Across institutions, diversity has been widely defined with no clear standard definition (Baki, 2018). Definitions of diversity are often criticized for being too narrow or lacking specificity (FSU, 2019). Therefore, a holistic definition of diversity was presented as set forth in social work education. Diversity was defined as the mindful incorporation of an array of intersecting individual and group characteristics and differences that include—but are not limited to—race, ethnicity, gender, gender identity, sexual orientation, age, ability, socioeconomic status, political affiliation, religion, and personal attributes (CSWE, 2015). It is important to note that most of the research examining diversity in connection to NPO boards primarily focuses on race, ethnicity, and gender (Daley, 2008; Buse, Bernstein & Bilimoria, 2016). The definition has been purposefully expanded to include the voices of those who are currently left out of the research in this area.

Equity

Equity is defined as "the fair treatment, access, opportunity, and advancement for all people, while at the same time striving to identify and eliminate barriers that have prevented the full participation of some groups" (Independent Sector, 2016). Equity has been described as the process that nonprofit organizations take "to lean into the discomfort, confront perceived obstacles, and step into the future" by addressing issues with diversity (Walker, 2019, p. 586). Within the context of organizations, the word equity has evolved from the word equality to systematically dismantle structural barriers that do not support diversity efforts (Walker, 2019). Specifically, nonprofit organizations promote equity by redefining core values and bylaws, upgrading programs and services, and promoting equitable professional development activities (Walker, 2019).

Inclusion

The term inclusion centers upon the involvement and empowerment of all people, where their inherent dignity and worth is recognized (FSU, 2019). An organization that promotes inclusion sustains a sense of belonging; it values and practices respect for the talents, beliefs, backgrounds, and ways of living of its members (FSU, 2019). Within the organizational realm, inclusion has been explored specifically as it is supported by the policies and procedures that impact board diversity at the agency level (Bernstein & Bilimoria, 2016). Nonprofit organizations promote inclusion when they prioritize welcoming environments that support individual and group identities. Literature on inclusion in nonprofits shows that it is challenging to fully incorporate, and that "simply filling seats" with diverse identities does not in any way promote authentic inclusion (Walker, 2019, p. 586).

Social Service Sector

The social service sector is broadly defined as comprising the total range of public service organizations existing in society that hold a collective aim that includes proving social support and assistance to disadvantaged populations (LeRoux, 2009). Nonprofit organizations (NPOs) are the most common type of social service organization in the US, and hold a range of political, educational, civic, and religious orientations (LeRoux, 2009). Social service organizations traditionally act as intermediaries between their clients and society, often seeking to alleviate social distress, stressors, and oppression by elevating the voices of marginalized identities (LeRoux, 2009).

Nonprofit Organizations (NPOs)

Nonprofit organizations (NPOs), also known as 501(c)3 organizations, are the unique

institutions that comprise the social service sector. NPOs first appeared in US society in the late 1800s and have collectively grown to have a formidable footprint across various sectors in the US economy. As evident in their name, NPOs do not reach profitable margins during the fiscal year, and if they do, those gains must be invested into the organization or the stock market. This characteristic is the primary difference between for-profits and NPOs. NPOs missions primarily aim to alleviate social injustices experienced by marginalized populations, and this is most recognizably as the programs they traditionally offer relate to the advancement of society's health (widely defined) and wellbeing. NPOs follow IRS guidelines and are required to produce an annual balanced budget that is approved by a Board of Directors, which is a governance entity that oversees the organization and has no less than 3 members. All NPOs are required to have a CEO, who serves in a key leadership role for their respective organization and acts as the conduit between staff and board members. Today, NPOs play a critical role in US society and their importance exemplifies their expansive reach across political, religious, and social sectors.

NPO Boards and Governance

NPO boards comprise the complex governing entities of nonprofit organizations and are largely responsible for managing and guiding social service delivery across the US. Research underscores that nonprofit boards often share similar characteristics, yet at the same time are markedly autonomous due to the specific oversight policies and practices implemented in various organizations (Miller-Millesen, 2003). Nonprofit boards typically "do not perform exactly the same functions" and have the flexibility to assume different structuring and operating procedures (Miller-Millesen, 2003). Overtime, studies have illuminated various "characteristics of good governance" in nonprofit boards, while pointing out shared "roles and responsibilities" that exist between organizations (Miller-Millesen, 2003). Today, most research on nonprofit boards is

situated in agency, resource dependence, nonprofit, and institutional theories (Miller-Millesen,

2003; Knutsen, 2012).

Historically Marginalized Identities (HMIs)

While diversity and inclusion are important terms to apply within the institutional

context, a new term has been utilized for individuals who hold diverse identities. Historically

marginalized identities (HMIs) is an umbrella term used to describe groups of people in the US

who may hold one or more identities that have been traditionally oppressed systemically in

institutions and society—such identities can include Black, Indigenous, People of Color

(BIPOC), women, members of the LGBTQ+ community, the disabled community, and others.

Current US government data shows the prevalence of how these groups historically and currently

experience elevated levels of discrimination and oppression, including lower pay, greater health

disparities, lower educational attainment level, and higher rates of poverty (US Census, 2019).

Additional forms of oppression exist for these populations, including racism, sexism,

homophobia, ableism, xenophobia, and more.

Representativeness/Representation

Representativeness/Representation (used interchangeably) is defined as a reflective

demographic composition between two interconnected groups, specifically as observed between

social service agencies and the communities they serve (Chauncey & McCann, 1956; Gazley et

al., 2010). The use of representativeness in nonprofits promotes a "more purposeful term,

referring to the context to which an organization reflects constituent characteristics in its

governance" (Gazley et al., 2010, p. 610). In nonprofits, representativeness is naturally

connected to diversity, and supports the notion that the identities of individuals who hold

governance positions at nonprofits should reflect the identities of the clients served by the agency.

Addressing the Problem

The problem being addressed in this research study will examine the potential relationship that exists between nonprofit organizational characteristics and board diversity. Fundamentally, I am interested in the various theories and conceptual frameworks that have been used to study the phenomenon of nonprofit board diversity. These theories include agency, resource dependence, and institutional (new institutional) theories. Additional theories not traditionally explored related to NPO board diversity, which was applied to further understand the problem, include social justice frameworks, such as critical race, queer, and gender theories, as well as social environment and generalist theories. The research question is based on the hypothesis that nonprofit board dimensions share a relationship with NPO compositional diversity. Hence, the null hypothesis for this research question is that no relationship exists between NPO board characteristics and compositional diversity.

Overall, the problem being addressed is derived from literature on the topic that points to the benefits that organizations can achieve through higher levels of nonprofit board membership diversity. Specifically, when nonprofit boards have higher rates of individuals with historically marginalized identities, such as BIPOC, LGBTQ+, and women, it may result in positive benefits for nonprofit organizations and the diverse populations they serve. Specifically, research has demonstrated how NPOs can experience financial, performance, and efficiency-related successes from expanding diversity factors among board members. However, current research does not identify what inhibits nonprofit board member diversity or what organizational dimensions

associate with it. This reality illustrates the need to better understand these topics, leading to the current study to offer a new perspective on the problem.

For the purpose of this study, diversity was focused on common historically marginalized identities (HMIs) including race and gender. The problem that was examined is compounded by the lack of current research that unpacks nonprofit board diversity broadly and falls into a larger issue that NPOs face: a lack of diversity in board membership. To understand the proposed research problem and question, this study will examine the larger issue of a lack of board membership diversity that NPOs have been struggling with for decades (BoardSource, 2017).

NPO board member diversity related to racial, ethnic, and gender identities has remained stagnant for over three decades in the United States (BoardSource, 2017, Ivey, 2018, Nonprofit Business Advisor, 2017, Ostrower, 2007,). While current NPO leadership, including CEOs and board chairs, are able to identify that NPO board member diversity is important, efforts to eradicate the problem have been limited and there remains no clear consensus on how to improve board member diversity overall (BoardSource, 2017, Daley, 2008, Ivey, 2018, Ostrower, 2007). While NPO boards remain largely homogeneous in composition, despite a collective awareness that diversity is important, the conversation must be broadened to include new perspectives (Daley, 2008, Ivey, 2018). Gaining insight from diverse board members will increase the ability for NPO leadership, including board chairs, to improve their understanding of NPO board diversity from a perspective that may be different than their own. In turn, an improved understanding of board diversity could be used to shape diversity and inclusivity policies on NPO boards, amend recruiting processes, promote inclusive cultures, and eventually form boards that demographically reflect the client population being served by an agency (Buse et al., 2016; Ivey, 2018).

Current research shows a disconnect between understanding the importance of NPO board member diversity and representative board member composition. According to research conducted by the Center for Effective Philanthropy (2018), 64% of Executive Directors (EDs) and Chief Executive Officers (CEOs) of NPOs across the United States stated that a diverse board is very or extremely important in terms of goal achievement, whereas 22% of those same respondents stated their boards are diverse or represent the client populations they serve. Additional research highlighted through a national survey administered by BoardSource (2017) showed that NPO board member diversity, although widely acknowledged as important, has not increased on a national scale in over two decades and this is not likely to change. This same research also highlighted that NPO leadership, including board chairs, exhibit high rates of dissatisfaction with board member composition and representativeness (BoardSource 2017). The results of a national survey identified that 90% of CEOs and 69% of board chairs are not satisfied with the racial/ethnic diversity present on their boards (BoardSource, 2017). This issue is compounded by the acknowledgement that board recruitment practices are not evolving to prioritize diverse board membership, with 20% of CEOs stating that they do not prioritize demographic composition when recruiting (BoardSource, 2017). It is worth noting the more than 20% difference in satisfaction of board member diversity based on perceptions between CEOs and board chairs in NPOs is an area for future research (BoardSource, 2017).

The aforementioned BoardSource research analyzed data from a pool of 1,538 NPO respondents (2017). This large pool is consistent with previous national data that BoardSource has biannually collected since 1994 and is central to understanding the trends that occur within NPO boards (2017). In their 2017 survey, BoardSource identified that 90% of all NPO board chairs identify as White, and 58% identify as cisgender men (2017). Similarly, 84% of all NPO

board members identify as White, and 52% identify as cisgender men (BoardSource, 2017).

BoardSource conducted the same national survey in 2015 and found that the number of White

NPO board chairs and NPO board members increased from 89% and 80%, respectively

(BoardSource, 2017). Since 1994, BoardSource stated that NPO board membership has never

surpassed an 18% rate of non-White members (2017). While NPO leadership is able to identify

that diverse board membership is important in terms of developing perspectives, promoting

creative solutions, planning effectively, and understanding the client populations served by an

organization, they are unable to effectively prioritize promoting diverse NPO board

representativeness or engage in recruiting practices that support diverse NPO board membership

(BoardSource, 2017).

These statistics present an opportunity for new research to be conducted focusing on

board diversity. Namely, I will suggest that a shift occur related to focusing on specific

populations when examining board member diversity research. Literature that explores board

diversity and exposes this gap was presented in the literature review of this study. It also offers

an opportunity to identify this topic as being a matter of social justice requiring the need to be

addressed in organizations and explored further in research. As previously described, current

research on nonprofit board diversity is limited and underscores the need for an expansion of

scholarship on this topic. Today's research on nonprofit board diversity focuses solely on the

benefits of board diversity and is often centered around sample populations that are

predominately White, heterosexual, cisgender, and male.

Purpose of the Study and Research Questions

There is a lack of understanding of nonprofit organization (NPO) board member diversity

in the United States, and the current study will use current literature on this topic to address this

gap. The main research question for this study is: *how do various dimensions of an organization relate to board member diversity*? This question was specifically examined through the following inquiry: What is the relationship between an organization's (a) service area, (b) type, (c) requirement for board members to make personal financial contribution, (d) revenue, (f) the CEO's perception of the organization's commitment to expanding its mission through its board's diversity, and (g) the CEO's racial and gender diversity with the board's current racial and gender diversity?

CHAPTER II

REVIEW OF THE LITERATURE

Introduction

Nonprofit organizations (NPOs) are a quintessential component of service provision for diverse communities in today's world, often meeting their unique health and mental health needs. In the US and across the globe, such organizations assume major social, political, and economic responsibilities, particularly considering the development and implementation of services for various marginalized populations (McKeever, 2018). NPOs adhere to legal guidelines that are both strict and flexible, resulting in organizations that are systematically unique yet isomorphic (DiMaggio & Powell, 1983; IRS, 2020). NPOs also succumb to various social and economic pressures that impact service delivery. At the helm of NPOs are board members who traditionally hold the vast majority of power within such organizations. From overseeing large-scale financial decisions, to appointing CEOs, and directing and approving service delivery, NPO boards have the incredible responsibility of guiding a substantial fraction of the social and political economies in US society (Bernstein et al., 2015). Though NPO board members collectively oversee hundreds of thousands of organizations—accounting for 9% of the total US workforce—research exploring the role and impact of NPO boards is limited (McKeever, 2018). Furthermore, while NPOs traditionally serve individuals with historically marginalized identities (HMIs), little attention has been given to the importance of such diversity in the boardroom (Brown, 2002; U.S. Census Bureau, 2019).

NPO board membership diversity as it concerns racial, ethnic, gender, gender identity, sexual orientation, disability, and socioeconomic status has remained stagnant for nearly three decades in the United States (BoardSource, 2017; Ivey, 2018; Nonprofit Business Advisor, 2017; Ostrower, 2007). While current NPO leadership, including board chairs, are able to identify that NPO board membership diversity is important, efforts to address the problem have been limited and there remains no clear consensus on how to improve board diversity (BoardSource, 2017; Daley, 2008; Ivey, 2018; Ostrower, 2007). While NPO boards remain largely homogeneous in composition, despite a collective awareness that membership diversity is important, the conversation must be broadened to include new research. Access to well researched, rigorous, and summarized data on NPO boards will increase the ability for NPO leadership, including CEOs and board chairs, to improve their understanding of the importance of board membership diversity. In turn, improved understanding of board membership diversity could be used to shape diversity and inclusivity policies on NPO boards, amend recruiting processes, promote inclusive cultures, and eventually form boards that reflect the client population(s) being served by an agency (Buse et al., 2016; Ivey, 2018).

This chapter will examine the current state of NPO board diversity in the US. In addition, a historical examination of NPOs was presented, which will include an in-depth overview of board composition, structure, challenges, and unique opportunities. NPO boards were examined via their functions and governance systems, which includes board member roles and responsibilities. This review will place an emphasis on NPO board membership and several unique factors including demographic trends as well as comparisons to for-profit boards. To situate the topic of the research problem within the literature, several applicable theories, models, and frameworks were described including agency, resource dependence, institutional, social

environment, generalist, critical race, queer, and gender theories. Finally, implications associated with social justice, the profession of social work, and social work practice, will offer perspectives upon why the conversation around NPO board diversity remains critical today.

Nonprofit Organizations

Today, there are more than 1.5 million nonprofit organizations (NPOs) located across the US, employing more than 12.3 million workers, and accounting for nearly one trillion of the country's gross domestic product (GDP) (McKeever, 2018; The Nonprofit Times, 2019). According to McKeever (2018), employees of NPOs made up approximately 9% of the total US workforce in 2018. California (144,755), Texas (97,242), and New York (81,745) have the highest total amount of NPOs in the US, while Montana (7.6%), Vermont (7.3%), and Alaska (5.8%) have the highest percentage of NPOs per thousand people (Up Counsel, 2020).

The history of NPOs began in the mid- to late-1800s. The Peabody Education Fund (PEF), which was founded in 1867, is documented as the first independent, funder-supported organization in the country (West, 1966). Before PEF, a funder-supported organization had never been documented—and this independent financial component of NPOs continues to be their main distinguishable feature when compared to for-profit organizations (FPOs). PEF was created to alleviate social distress and promote the educational advancement of the Black community in the Southern US (West, 1966). Their original mission remains consistent with the values and visions of NPOs found in modern literature, which widely publicizes the social benefits such organizations offer to those with low socioeconomic status and historically marginalized identities (HMIs), including Black, Indigenous, People of Color (BIPOC), lesbian, gay, bisexual, transgender, and queer+ (LGBTQ+) communities, individuals with disabilities, and women (Aspen Institute, 2016; Wolpert, 2002). According to current data, recipients of social services

from NPOs identify most commonly with a low socioeconomic status, who in the US disproportionately represent populations with HMIs (Aspen Institute, 2016).

As funder-supported organizations began to grow in popularity in the US to promote mission-valued services in an effort to combat social distress, the Internal Revenue Service (IRS) began implementing regulations for NPOs, that if met, would qualify the organizations for tax-exempt status (IRS, 2020). To be eligible as a NPO in the US today, an organization must apply for 501(c)(3) status, which requires approval from local government offices and comes with a possible tax exemption status (Up Counsel, 2020). In modern times, the popularity of NPOs has grown immensely, primarily due to the ease of starting one: submit a simple online application, pay a fee of approximately $300, and any US citizen can open and run a NPO (IRS, 2020). Currently, NPOs are found across many sectors of the US economy, and represent public charities and private foundations, as well as churches, theaters, museums, all with varying civic and religious affiliations (Up Counsel, 2020).

Charitable Giving

Since nonprofits continue to thrive off charitable giving, it is important to consider the current trends in financial donations. Specifically, an examination of board member charitable giving was offered as it represents a primary resource for NPO fiscal stability. Charitable giving is defined as the willful offering of goods, most notably currency, which may be provided by an individual, family, community, or foundation to an organization (Giving USA, 2020). Charitable giving has long been seen as a key indicator of NPO success and a lack of donations is often the reason some organizations must close their doors. Charitable giving to NPOs typically increases yearly and in 2019 stood at 449.64 billion, making it the highest gross giving year in US history and accounting for nearly 1.5% of the US' Gross Domestic Product (GDP) (Giving USA, 2020).

Notably, due to the COVID-19 global health pandemic, 25% of current NPO donors acknowledge that they will increase charitable giving in the coming years (Fidelity Charitable, 2020). Relatedly, the prevalence of virtual donations to NPOs increased by more than 20% in 2020 alone—the first full year after the COVID-19 pandemic began (Blackbaud, 2020). Despite this increase in giving, more than half of all NPOs in the US have enacted emergency funds and special appeal campaigns due to monetary losses associated with the pandemic (CCS Fundraising, 2020). Since NPOs are funder-supported organizations, they are exceptionally reliant upon charitable giving, which is often dependent upon trends in the US economy.

NPOs have traditionally relied heavily on their board member donations for sustainability and longevity due to the challenges associated with budgets that are highly reliant upon such donations, a collection of public and private grant funding sources, and the US economy overall (Aspen Institute, 2020). Board members often help NPOs by focusing on service provision and understanding of the unique needs of diverse client populations served by the organization, however, fundraising is often the priority that board members are tasked with overseeing (Aspen Institute, 2020).

As such, one way that NPOs can assure fiscal stability is through recruiting financially affluent board members. NPO board members are typically responsible for both personally donating funds and securing funds from other donors, coordinating and running annual fundraising events, and connecting with important foundations that are necessary to keep organizations running smoothly (BoardSource, 2021). In fact, approximately 70% of NPOs in the US require board members to make a personal contribution each year (BoardSource, 2021). However, less than half of NPO boards report 100% compliance with this requirement (BoardSource, 2021). This emphasis on board-directed giving makes NPO board membership

critically important to the success and longevity of NPOs. High profile NPOs often enlist board

members who are leaders in Fortune500 companies and can help direct organizational

donations—and frequently write checks to help offset losses (Ostrower, 2020). This emphasis on

recruiting financially affluent board members can be seen across the nonprofit sector,

particularly in the arts, where NPO boards annually donate hundreds of thousands of dollars to

the organizations in which they serve (Radbourne, 2003). While some NPO boards persistently

and unsuccessfully search for wealthy board members, other boards have extremely high

competition for board membership positions that come with name recognition, popularity, and

elitism (Radbourne, 2003; Ostrower, 2020).

Not surprisingly, NPO boards rely on membership at the individual and group level

(O'Regan & Oster, 2005). Research on NPO board membership reveals that a relationship often

exists between board member performance and board structures (O'Regan & Oster, 2005). These

researchers also found an influence by NPO Chief Executive Officers (CEOs), who may require

board members to focus on fundraising more so than governance (O'Regan and Oster, 2005).

This research complements current studies that underscore the key area in which NPOs need the

most help is in fundraising (Aspen Institute, 2020). A national sample of NPOs reveals that more

than 60% of such organizations identified fundraising as their top need (Aspen Institute, 2020)

whereas board governance fell below 29%, and was overshadowed by marketing (51%) and

technology (31%; Aspen Institute, 2020).

Nonprofit Power and Co-Governance

A review of the literature offers insight into additional underexplored issues such as the

nonprofit industrial complex (NPIC), which unintentionally promotes society's dependence upon

nonprofits, as well as NPOs complicated relationship with neoliberalism (Acker, 2006; Finley &

Esposito, 2012; Scott & Davis, 2007). Neoliberalism is broadly defined as an economic

preference for free-market capitalism within a democracy. Traditionally, NPOs in American

democracy adhere to neoliberalism through the sector's pursuit of separation from government

control. However, NPO functions align more with regulation and government dependence than

not—especially in terms of the funding NPOs receive from government sources. Similarly, the

NPIC exposes the need to further define the roles and responsibilities that NPOs hold in both

alleviating oppression and unintentionally promoting it. For example, the existence of nonprofits

and their close relationship with neoliberalism unintentionally creates a cyclical system that

includes a need for the services offered by NPOs. Therefore, while their goal is to alleviate social

problems and oppression, NPOs quite often promote and sustain such problems.

Another complicated reality facing NPOs is the prevalence of co-governance with

government entities. Co-governance occurs when NPOs partner with government agencies to

plan and design public services (Cheng, 2018). While this can be beneficial, co-governance is

primarily witnessed in stable communities with elevated levels of resources when compared to

communities with lower socioeconomic status (Cheng, 2018). This reality leads to greater social

disparities that are experienced in communities with higher levels of poverty, whose NPOs may

not have the same political leverage as wealthier communities (Cheng, 2018). The prevalence of

co-governance is directly tied to NPO boards, where elite boards with wealthier members may

have more political connections and government ties (Ostrower, 2020). This reality again

highlights the challenges NPOs encounter with not only NPIC, but the emphasizes that a number

of NPO boards are often guided by the wealthy elite (Ostrower, 2020). Together, these issues

underscore some of the ways that NPO boards directly and negatively impact communities with

HMIs (Weiss, 2020).

Beyond financial dependency, NPOs also struggle with governance. Duab et al. (2014) examined how NPOs interacted with sustainable management practices, and why resistance to such practices may exist. The authors make an important distinction about studies surrounding NPOs, as they noted that research associated with for-profit organizations and sustainable development has been occurring in-depth for years (Duab et al., 2014). Conversely, the authors noted that similar research on NPOs has been "neglected by research establishments" for equally as long (Duab et al., 2014, p. 3254). The researchers attempted to identify the root of this situation and found that NPOs seldom rely upon methods of sustainable development. (Duab et al., 2014). The researchers suggested that sustainable development is "extensively ignored by NPOs during their day-to-day practical management," which transfers to the overall limitations of development within an organization (Duab et al., 2014, p. 3254).

The researchers made an important distinction that may expose the root of the research disparity between for-profits and NPOs. Per Duab et al., NPOs are "confronted by economic, ecological and social challenges" in separate ways when compared to for-profit agencies (2014, p. 3255). As the number of NPOs continues to grow, competition for funding remains increasingly competitive, resulting in more NPOs consuming already limited resources to achieve monetary gains (Duab et al., 2014). This is directly associated with the topic of diversity, as NPO leadership may strive to appoint board members and CEOs that are known to have high-salaried positions in their respective corporate roles. This is problematic as diverse individuals may be overlooked in NPO governance selection processes due to stereotyped perceptions of their financial capabilities or overall ability to contribute (Feit et al., 2017). This issue remains evident in the NPO sector, where only 11% of CEOs and 10% of board chairs identify as BIPOC—despite this population representing nearly 42% of the total US population (Feit et al.,

2017). Similarly, while LGBTQ+ communities comprise 5-10% of the US population, they represent only 2% of NPO board membership. Underrepresentation also applies to those with disabilities, who make up 12% of the US population, but less than 1% of NPO board member positions. These disparities in representation of diversity and ensuing ramifications for NPOs and their boards was explored in subsequent sections.

Nonprofit Board Functions

Drawing on available literature and research at the time, Drucker noted that nonprofit boards "malfunction as often as they function effectively" (1990, p. 7). Drucker's own research identified that successful NPOs are largely driven by successful boards, while NPOs struggle to build and maintain strong boards (1990). More than thirty years later, Drucker's assessment of NPO boards remains relevant and worthy of consideration. Current research finds that in order to be deemed successful, NPO boards must adhere to the legal standards of care, loyalty, and obedience—also known broadly as "good governance" (Gazley & Nicolson-Crotty, 2018). While the practice of good governance is similar across NPO boards, recruitment and retention strategies to secure top talent may often differ (Gazley & Nicolson-Crotty, 2018). External forces, such as politicians, government officials, or wealthy donors, often guide who is asked (and who is allowed) to join an NPO board (Gazley & Nicolson-Crotty, 2018). Though NPO boards are required to follow federal guidelines, governance is often self-assessed by the board itself, which can create homogeneity in thought and action (Gazley & Nicolson-Crotty, 2018). Similar to external forces, there are a number of internal forces—such as the CEO or leadership team—that can also pose threats to good governance on NPO boards (Gazley & Nicolson-Crotty, 2018). Internal forces may lead NPO leaders to force board members to make certain decisions, such as when CEOs pressure boards to nominate their preferred board candidates. Oftentimes,

both internal and external forces can lead NPO boards to fear change and mandate the status quo—another clear example of how NPO board diversity is limited (Gazley & Nicolson-Crotty, 2018).

Good governance on NPOs boards includes ensuring organizational success, longevity, and relevance (Bernstein et al., 2015). NPO boards hold immense power within organizations as they effectively oversee CEO hiring, retention, and performance, monitor financial health, and strategically direct the focus of services based on the organizational mission (Bernstein et al., 2015). By IRS legal standards, NPO boards are required to have a minimum of three members that meet at least once a year (2020; Brothers & Sherman, 2011), while on average, NPO boards include seventeen members (BoardSource, 2017). The number of NPO board members is dependent on organizational budgets, whereas NPOs with an annual budget of less than 1 million typically have approximately 14 members as compared to 18 members at NPOs with a budget over 10 million (BoardSource, 2017). As the governing body of an NPOs, board members are required to adhere to organizational bylaws that include rules on term limits (IRS, 2020).

While NPOs are legally bound to these government-issued guidelines, it is generally observed that boards vary drastically in terms of organizational functions, including board structure and culture (BoardSource, 2017; Brothers & Sherman, 2011; Brown & Guo, 2010). NPO board oversight first entered the spotlight on a national basis in the early 2000s (IRS, 2009). The American Law Institute and Panel on the Nonprofit Sector both individually convened in 2000 and 2004, to consider proposals to enhance NPO boards and good governance (IRS, 2009). Before then, NPO boards were widely considered to have limited surveillance. Due to this, the exact functions of board members, including their decision-making capacity within an NPO continues to differ widely (Brothers & Sherman, 2011; Brown & Guo, 2010). This lack of

uniformity has afforded NPO boards the opportunity to create unique ways of governance. However, this lack of oversight has also allowed NPO boards to foster environments that are homogeneous in disposition (Bernstein & Bilimoria, 2013; 2016; Denny, 2015; Fredette et al.). One notable method that promotes homogeneity on NPO boards is through written recruitment policies and procedures that encourage limited compositional diversity (Abzug & Galaskiewicz, 2001; Callen et al., 2010).

While NPO board functions often differ between organizations, research over the past few decades helps shed light on current best practices. Overall, boards are expected to function and perform while ensuring the mission of an organization meets the needs originally identified in the NPOs founding documents (Brown, 2005). Additionally, NPO boards are tasked with monitoring the financial sustainability of an organization (Panel on the Nonprofit Sector, 2007). To accomplish these goals, boards must lead with transparency and be accountable for their actions (Green & Griesinger, 1996, as cited in Gazley & Nicholson-Crotty, 2018; Ostrower, 2007). Transparency is observed on boards that accurately track and record their ongoing communications and meeting minutes (Ostrower, 2007). Accountability occurs via board actions that may require reconsideration or cause unintended consequences (such as closing a program or firing a CEO; Green & Griesinger, 1996). To avoid such challenges, boards must seek to align their discussions, decisions, and actions with the strategic plan and goals of the NPO (Brown, 2005; Herman & Renz, 2000; Ingley & Van Der Walt, 2005, as cited in Gazley & Nicholson-Crotty, 2018). The congruence of board activities with the strategic vision of the NPO are critical for ensuring the board can meet the needs of the organization's policies and practices (Brown, 2005).

NPO board roles also include elements that require both individual and group accountability. For example, boards with members who actively and consistently partake in ongoing education and training are more likely to be successful (BoardSource, 2012; Brown & Guo, 2010, as cited in Gazley & Nicholson-Crotty, 2018). Education is essential for boards that actively attempt to evolve and be innovative (Brown & Guo, 2010) as well as for ensuring that the board is knowledgeable about current governance topics and skills that can assist them in effectively guiding the organization they serve (Gazley & Nicholson, 2018). Participating in ongoing education and training is also associated with another role that boards hold–which is the practice of self-assessment (Lichtsteiner & Lutz, 2012, as cited in Gazley & Nicholson-Crotty, 2018). For an NPO board to function effectively, board members must possess the traits and skills necessary to constantly observe themselves as both an individual and a group (Lichtsteiner & Lutz, 2012). This can be an exceptionally challenging practice for NPO board members, who are often selected to hold their positions based on their wisdom, expertise, and experience—and may sequentially be more concrete in their views, beliefs, and leadership techniques (Lichtsteiner & Lutz, 2012). However, boards with members who understand that self-assessment is critical to group success are more likely to hold one other accountable and lead with transparency (Green & Griesinger, 1996; Ostrower, 2007).

A core component of NPO board functions includes the recruitment and retention of board talent. NPO board members are often tasked with the responsibility of not only vetting new board members, but personally nominating them as well (Van Puyvelde et al., 2012). An NPO with a high functioning board can expect current board members to actively recruit those in their social circles to join the board and fill immediate and long-term needs. Additionally, NPO board members are expected to effectively decipher what top board talent means to their

respective organization—and therefore should possess the skills to appropriately vet potential

board candidates (Lakey et al., 2004; Van Puyvelde et al., 2012, as cited in Gazley & Nicholson-

Crotty, 2018). Fundamentally, NPO board members are tasked with ensuring that new board

candidates represent a diverse array of backgrounds, experiences, and skills (Gazley et al., 2010).

Research demonstrates the critical role that creativity and innovation play in successful NPO

board governance, and one of the main ways this is achieved is via the intentional recruitment of

candidates with diverse backgrounds (Gazley & Nicolson-Crotty, 2018). Diversity among

nonprofit boards holds potential for ensuring that organizational programs and services

authentically meet the needs and interests of the community, while adding multiple perspectives

that promote a culture of inquiry and generative thinking that breaks the cycle of power and

privilege in the US (Buse, Sessler Bernstein, & Bilimoria, 2014). Another role NPO board

members hold in ensuring diversity on boards is through setting and maintaining term limits

(Gazley & Nicolson-Crotty, 2018). This responsibility is often self-directed by the organization

itself, and research finds that term limit averages between 1 to 4 years are most common (IRS,

2020). As the US population continues to diversify, it becomes clearer that term limits are

necessary to transition long-serving board members off and invite new board candidates who

hold HMIs on to NPO boards.

Additional board functions include the practice of identifying where conflict of interests

may occur (Association Forum of Chicagoland, 2012, as cited in Gazley & Nicolson-Crotty,

2018). The assessment of any conflict of interest on NPO boards is required to ensure boards are

not subject to undue political, governmental, or monetary influence (Association Forum of

Chicagoland, 2012). While conflict of interest issues may be most notable on for profit

organization (FPO) boards, NPOs can also be subject to similar challenges, especially when

status and influence are at play (Association Forum of Chicagoland, 2012). This example also ties to the internal and external forces that NPO boards may face when selecting new board candidates.

NPO boards hold a significant role in managing the internal and external relations that they have with the community and the populations served (Chait et al., 2011). Internally, NPO boards are responsible for hiring and firing CEOs, making recommendations for leadership changes and adjustments, and ensuring that staff across the organization are following an organizational chart that provides clear levels of supervision (Panel on the Nonprofit Sector, 2007, as cited in Gazley & Nicolson-Crotty, 2018). Externally, NPO boards are tasked with ensuring meaningful and long-lasting relationships are created and maintained in the community (Chait et al., 2011, as cited in Gazley & Nicolson-Crotty, 2018). Research demonstrates that NPO boards with strong community-facing relationships can foster credibility between the organization and community leaders. Furthermore, NPO boards that successfully leverage their personal relationships with the organization they serve are more likely to help strengthen the reputation of the services offered by the organization (Chait et al., 2011).

Nonprofit Board Governance

Nonprofit boards, though guided by similar legal requirements set by the IRS, are complex and autonomous. NPO boards are primarily broken up into two main roles that include the officers, (e.g., board chair, vice chair, secretary, and treasurer) and general at-large board members, who are typically eligible to be elected to officer roles every one to four years (Harbor Compliance, 2020). NPO boards must adhere to a combination of federally mandated bylaws, also known as articles of incorporation, and organization-specific resolutions (Harbor

Compliance, 2020). Across the US, there is limited oversight into organization-specific

resolutions that guide NPO boards, which has made the creation of best practices difficult to

examine and adhere to (BoardSource, 2015).

NPO Board Responsibilities

Board officers hold specific responsibilities that are well above the normal board

membership requirements. Board chairs are charged with presiding over the entire board, and

therefore run meetings, engage members, and serve as the main point of contact between a CEO

and the board at large (BoardSource, 2015). Vice chairs serve as the main assistant to the board

chair and are responsible for taking charge if the board chair is not able to perform their tasks for

any reason (BoardSource, 2015). Secretaries are responsible for managing the documents and

communications of the board, including policies, practices, resolutions, and meeting minutes

(BoardSource, 2015). Treasurers are typically regarded as financially literate and are assigned

the task of monitoring and devising sustainable growth plans with an organization's budget

(BoardSource, 2015). All board members are often required to attend several standing meetings

per year, as well as donate money on an annual basis (BoardSource, 2015). While nonprofit

board members may hold various roles at different organizations, they are oftentimes tasked with

hiring CEOs, volunteering, participating on sub-committees, philanthropy and event planning

(e.g., fundraisers, galas), as well as participating in such events (BoardSource, 2015).

With limited insight into NPO board best practices, BoardSource has studied the

importance of board responsibilities and duties (2015). BoardSource primarily divides these

responsibilities into six unique categories that include: legal, financial, fundraising, planning,

evaluation, and practices (2015). Together, these responsibilities help NPO board members

effectively govern organizations. Legal responsibilities include what the board does to provide

protection for the organization should any legal matters arise (BoardSource, 2015). Financial

duties include managing an organization's funds, as well as mitigating risks and managing a

balanced budget, while fundraising duties similarly include the identification and collection of

resources (most often monetary) for an organization (BoardSource, 2015). Planning and

evaluation responsibilities are predominately linked to an organization's mission and require

board members to devise and monitor the advancement of strategic plans (BoardSource, 2015).

Finally, practices include the structures of the board and organization, including committee

oversight, as well as managing the relationships between the board, the CEO, and members of

the leadership team (BoardSource, 2015).

Goals, Accountability, & Effectiveness

Herman & Renz identify that the relationship between nonprofits and their boards is

complex and multidimensional (2008). For example, NPO board effectiveness is an important

indicator of a healthy NPO and has been measured through a variety of methods including

employee and client satisfaction, public perception, and financial success (Herman & Renz,

2008). Based on the power board members hold in organizations, NPO board effectiveness is

unsurprisingly closely correlated with organizational effectiveness. This power dynamic can be

explained by the reality that NPO boards are most often tied to NPO success, whereas

oppositely, NPO success is seldom a cause for NPO board success (Herman & Renz, 2008).

Furthermore, Brown & Guo assert that NPO boards are responsible for not only making key

decisions that impact day-to-day operations, but also long-term policies and procedures that have

lasting effects on organizational programs and ultimately their client populations as well (2010).

Recent data from a representative sample of 1,758 NPO boards in the US reveals that

they generally strive towards similar goals (Brown & Guo, 2010). For example, the top priorities

for NPO boards are fund development (55%), strategic planning (46%), financial oversight (43%), and public relations (37%; Brown & Guo, 2010). Bernstein et al. (2015) found that board governance behaviors and practices are significantly related to recruitment of new board members, community engagement, and fundraising. Additionally, boards with members who know their roles and responsibilities report higher levels of success (Bernstein et al., 2015).

Arshad et al. (2013) examined the relationship between board composition and accountability in NPOs. Analyzing data collected from 234 NPOs, the authors reviewed the ways that board composition interacts with accountability practices (Arshad et al., 2013). The researchers in this study reviewed board composition with size, the level of professionalism of members, as well as any relevant political connections board members may have (Arshad et al., 2013). The researchers were able to identify that there is often a lack of accountability and transparency with regard to who is participating on NPO boards (Arshad et al., 2013). The authors draw on previous research that illustrates that the for-profit sector is often scrutinized for the compositions of their boards, whereas NPOs may receive less attention or scrutiny (Arshad et al., 2013).

Historical and Contemporary Nonprofit Governance Issues

The importance of boards for nonprofits and the subsequent effect they have on the social service sector and society at-large is quite vast. Literature focusing on NPO boards is not novel, as research on this topic began to appear in the mid-1970's (Chait et al., 1991). Both historical and modern studies on NPO boards are primarily orientated around organizational theories (Callen et al., 2009; Herman & Renz, 1997; Knutsen, 2012; Miller, 2002; Miller-Millesen, 2003). Additionally, research exploring NPO boards has considered several key organizational functions, such as effectiveness (Herman & Renz, 2008), sustainability (Brown & Guo, 2010)

and change (Hyde, 2012; Packard, 2013). Literature on NPOs shows that such organizations benefit society and marginalized populations by mediating societal forms of oppression, such as poverty and violence, as well as by advancing culture, science, and the arts (Wolpert, 2002). Social service clients are the most notable beneficiaries of NPOs—though this list also includes hospital patients, church members, museum patrons, university students, and taxpayers who write off donations (Wolpert, 2002). While these benefits are well-documented, a holistic description of NPOs calls for a critical assessment of their impact upon society.

A historical overview of NPOs reveals that the relationship an organization holds with its environment is twofold. While the purpose of NPOs is to alleviate oppressive systems, a deeper understanding of social injustice in the US underscores that societal inequality may actually be caused by such organizations (Acker, 2006; Finley & Esposito, 2012; Scott & Davis, 2007). Finley & Esposito assert that NPOs assume unjust power in society and are responsible for cyclical oppression by overcontrolling what services are provided to clients (2012). As aforementioned, NPOs are dependent upon external public, private, and individual funding sources to survive. This is most often demonstrated as NPOs succumb to neoliberalism by modeling themselves after corporations that are profit-seeking and market dependent (Finley & Esposito, 2012). Neoliberal principles and ideologies are most observable in the traditional organizational hierarchies, structures, and functions that NPO leaders and board members adhere to (Finley & Esposito, 2012). This is problematic as NPOs overemphasize the role of bureaucracy and capacity for the sake of survival, and as a byproduct only offer partial social remedies to clients (Finley & Esposito, 2012). Finley & Esposito assert that such fractional practices actually make clients reliant on social services that do not fully address their needs, and thus requires they return for services rather than the ability to achieve independence (2012). The

role of government and foundations play a key role in this cycle, as NPOs constantly shift and

reorient programs and practices for the sake of funding and publicity (Finley & Esposito, 2012).

This complicated overview demonstrates not only the immense pressure that NPOs operate

under, but also the incredible power that is awarded to their governance systems—such as their

boards.

Like historical accounts, today's NPO governance issues center upon limits to engage in

progressive change. This stalled growth can largely be attributed to stagnant policies and

practices at NPOs, as well as a lack of oversight (Bell, 2021). To combat their own slow

evolution, some states are taking more immediate actions such as addressing the limited diversity

of members on corporate boards. For example, California became the first state in the country to

mandate membership diversity in the boardroom (Bell, 2021). Membership diversity refers to

underrepresented populations—including BIPOC and LGBTQ+ populations. Additionally, all

California corporations are now required to have at least one woman sit on their board (Bell,

2021). Other US states are examining or proposing similar laws, including Illinois,

Massachusetts, New Jersey, and Washington (Bell, 2021). Results of recent diversity initiatives

identify the positive impact of such requirements. In Illinois, Midwest Investors Diversity

Initiative (MIDI) works with for profit and government boards that are lacking board diversity.

In 2021 alone, six organizations working with MIDI appointed BIPOC women to their boards for

the first time (2021). Since 2016, nearly half of all organizations working with MIDI have

implemented a diversity search policy for their boards (2021). MIDI helps organizations craft

diversity search policies as a method towards building more inclusive and representative boards

(2021). As is traditionally the case, changes to for-profit boards often foreshadow changes to

NPO boards—and similar rules and initiatives may soon be observed in the social service sector.

Gazley et al., examined a large, national sample from 1,758 NPOs across the US and found that relationships between "organizational characteristics, interorganizational linkages, and performance" exist (2010, p. 617). The researchers argue that a fundamental contribution of the study is that it examines representativeness in NPO boards with both "objective and subjective outcome measures" (Gazley et al., 2010, p. 618). The results of this study offer a valuable backdrop to NPO board diversity research. Most notably, the research available on board diversity, as highlighted throughout this literature review, identifies several important benefits that NPOs may achieve by addressing diversity factors among membership representation.

Nonprofit Board Diversity

Theoretical and empirical research on nonprofit board diversity remains an understudied topic that deserves deeper reflection and continued analysis. Studies exploring board diversity in the for-profit and NPO sectors began to emerge in literature during the 1970's (Pfeffer, 1972) and 1980's (Widmer, 1987), respectively. In the for-profit sector, early empirical studies on board diversity primarily focused on the associated impact of organizational performance (Baysinger & Butler, 1985; Siciliano, 1996) and strategic change (Goodstein et al., 1994). Literature on NPO board diversity has shifted overtime while chiefly examining representativeness and inclusion (Bernstein et al., 2013; Daley et al., 1994; Fredette et al., 2016; Miller, 2009; Walker, 2019). However, other researchers have explored NPO board diversity in relation to empowerment (Bond & Keys, 1993); board policies and procedures (Bradshaw & Fredette, 2013); performance (Brown, 2007; Harris, 2014); and governance practices (Buse et al., 2016; Colaco, Myers, & Nitkin, 2011). While research provides some evidence of the examination of certain aspects of NPO board diversity, there is a noticeable gap that deserves attention.

Demographic Trends

From a historical perspective, nonprofits have struggled with increasing board member diversity and understanding the critical importance of broad representativeness (Daley & Angulo, 1994; Gazley et al., 2010). Today's empirical data on compositional diversity shows that NPO board membership is primarily White (84%) and male (52%) (BoardSource, 2017). This issue expands exponentially at the board chair level, where 90% of members identify as White and 58% identify as male (BoardSource, 2017). While the significance of board diversity continues to gain attention in the NPO realm, membership diversity continues to lag. In nearly forty years, the percentage of members of BIPOC communities serving on NPO boards has not eclipsed 18% of the total board population in the US (BoardSource, 2017). Moreover, 1 out of 4 NPO boards in the US is comprised solely of White board members (BoardSource, 2017).

Perceptions of NPO board diversity in the social service sector are important to consider when compared to demographic trends. According to *Leading with Intent*, board diversity is widely viewed as favorable for organizational advancement among 1,379 respondents (BoardSource, 2017). While NPO CEOs consider board diversity vital for solving problems (85%), understanding client populations (82%), and public image (80%), only eighteen percent of CEOs report being satisfied with the compositional diversity of their boards (BoardSource, 2017). NPO CEOs are even less satisfied with the number of LGBTQ+ members (13% satisfied) and members with varying abilities (10% satisfied) (BoardSource, 2017). It is worth noting that the level of board dissatisfaction varies between NPO CEOs and board chairs, whereas forty-one percent of board chairs—of whom 90% identify as White—are dissatisfied with diversity on their boards (BoardSource, 2017). This data provides important insight into a complicated reality facing NPO boards: members may not share or understand the unique needs of the client

populations they serve (Buse et al., 2014; Denny, 2015). Demographic trends emphasize that limited diversity on NPO boards may be stuck in a recurrent cycle of inaction.

Similarities & Differences among For-Profit and Nonprofit Boards

Nonprofit boards have long mirrored and resembled the functions and governance styles of for-profit boards. This is evident in the literature on this topic, as research began describing the ways NPO boards were moving towards corporate governance styles in the late 1980s (Fram & Brown, 1998). When the IRS first began mandating NPO boards adhere to certain legal guidelines, NPO CEOs and leaders quickly pivoted to examples of how to effectively run boards from their for-profit counterparts (IRS, 2009). However, it was not until the early 2000s that NPO board governance came under scrutiny due to its issues with self-regulation (Vidovich & Currie, 2012). At the time, NPO boards were modeled off what made for-profit boards successful, with few exceptions (IRS, 2009). The fundamental similarity between NPO and for-profit boards has long been an almost obsessive focus on money driven largely by capitalism (Krause et al., 2019; Epstein & McFarlan, 2011). Epstein & McFarlan state that "cash is king" for any board in the US, and NPOs along with for-profit boards can both succeed with money or fail without it (p. 30, 2011). Other similarities include how nonprofits and for-profits rely on their boardrooms for leadership guidance—both at the organizational policy and staff management levels (Epstein & McFarlan, 2011). Additionally, both NPO and for-profit boards make substantial contributions to US society, are responsible for directing services and goods with a national scope, and can also face marked challenges relating to corruption, infighting, and negative community perceptions (Epstein & McFarlan, 2011; Krause et al., 2019).

While NPOs and for-profit boards share similar characteristics, notable differences abound. These differences expose a complicated interconnection between NPO and for-profit

boards, whereas NPO boards have traditionally struggled with isomorphism. DiMaggio & Powell describe isomorphism as the process where institutions mirror one another in the sense that they adopt similar functions, structures, and rules of operation (1983). Predominately, isomorphism has been identified with NPO boards in the ways they attempt to emulate for-profit boards (Krause et al., 2019). While mirroring their for-profit counterparts can result in certain benefits, it also possesses certain challenges as NPOs and for-profits fundamentally have different missions, visions, and overall goals.

When drawing comparisons, NPO boards differ from their for-profit counterparts because of the strong emphasis placed on supporting an organization's mission (Epstein & McFarlan, 2011). While for-profit boards are considerate of an organization's mission, NPO boards are much more likely to examine how all aspects of an organization directly connect to its mission—from services, to finances, and performance metrics (Epstein & McFarlan, 2011). For-profit boards, on the other hand, are more aware of how over-emphasis on mission can result in economic loss, and therefore, do not prioritize it as strongly as NPOs (Epstein & McFarlan, 2011). Another notable difference between NPO and for-profit boards can be seen in the relationship that exists between board members and the CEO. Oftentimes, the tasks and responsibilities of CEOs at NPOs may require additional support and guidance often provided by a well-functioning board. This support is critical for nonprofit CEOs, who rely on board members to be active members of their organization—and often involves oversight of day-to-day operations, in which for-profit board members are less frequently involved (Epstein & McFarlan, 2011).

Overall, NPO and for-profit boards are held to similar legal requirements and ethical standards. NPOs have traditionally followed in the footsteps of for-profit boards, and this is true

across the spectrum with regard to board functions. For example, the for-profit sector began to place an emphasis on board diversity nearly two decades before the NPO sector (Carter et al., 2003). This is highlighted in current research on boards, as the for-profit sector, in accordance with numerous mandated local and national laws, has notably increased board membership positions held by those with HMIs (Harjoto et al., 2015). In comparison, the NPO sector has long struggled with board member diversity, and current trends show that for nearly 4 decades membership diversity on NPO boards has remained the same (BoardSource, 2017). It was not until for-profit boards began to identify the benefits of membership diversity that the social service sector began seriously considering its limitations with representativeness. Today, ongoing social and racial justice protests across the US and the world have heightened the need for greater board diversity across both sectors.

Opportunities and Challenges with Nonprofit Board Diversity

While current research demonstrates the number of diverse employees has been slowly and gradually increasing within the social service sector, the majority of those in leadership positions tend to identify as White, straight, and/or cisgender men (BoardSource, 2017; Ivey, 2018; Schilling et al., 2008). This is often in contrast to the client populations being served by the social service sector at-large (Ostrower, 2007). To understand the root causes of this issue, continued examination of the literature will assist with analyzing the underlying reasons for this phenomenon, including what some researchers call the "diversity deficit" of the social service sector (Ivey, 2018). While 70% of CEOs in the social service sector state that a diverse staff is "very" or "extremely important", only 36% of those CEOs say their staff is diverse (Ivey, 2018). Similarly, 64% of CEOs believe a diverse board is "very" or "extremely important", whereas only 22% of those CEOs say their board is diverse (Ivey, 2018). Staff opinions reveal that more

than 70% of NPO workers feel that their employer "does not do enough" to promote diversity, and only 25% of these workers feel their employers "value diversity" (Ivey, 2018). Similarly, only 25% of these same employees feel their employers "actively demonstrates their commitment to creating a racially diverse environment" (Ivey, 2018, p. 7). This research on the deficit of diverse board members underscores a systemic disconnection that exists in the relationship between diversity and representation across the social service sector. Specifically, there appears to be a disconnect between the desire to promote diversity in the social service sector—including on nonprofit boards—and ensuring that it is actually being addressed.

There are several instances where current research also poses a threat to the promotion of diversity and representativeness within the social service sector. Specifically, research that studies board diversity is often administered by nonprofit CEOs and board chairs, who disproportionately identify as White (BoardSource, 2017). While White CEOs and board chairs hold valuable perspectives and should be encouraged to participate in research, reviewing literature in this field provides evidence that a number of certain unnamed threats to validity in such research exist. Specifically, White CEOs and board chairs may be speaking about the issues or benefits of diversity from a perspective that is susceptible to White cultural bias. Issues with conscious or unconscious bias, prejudice, and racism on the part of NPO CEOs may influence their ability to speak about board diversity and representativeness. For example, when asked if their NPO promotes inclusion, a White CEO could assume their employees experience inclusion when in reality they may not. There is a substantial lack of diversity and representativeness in research that seeks to examine the perspectives of diverse individuals, thus promoting the possibility that the research currently available in the field is not providing clear descriptions of the issue and thus self-perpetuating the problem.

An example of this research challenge can be seen in the work of Daley (2008) who reviewed literature in the field surrounding NPO leadership diversity, and solo-authored an action guide to assist organizations with promoting NPO board diversity (2008). While Daley offered an important perspective on NPO board diversity, there were limitations to the action guide (2008). Daley suggests that White board members need to be mindful and respectful of the way they speak to diverse board members (2008). While this suggested approach may make board members who are White feel comfortable, it may also perpetuate power dynamics that patronize diverse board members who identify with HMIs. Additionally, members with HMIs joining a board may already feel tokenized based on their respective traits in correspondence with the lack of diversity present on the board, which in turn may foster a cycle of oppression. In the action guide, Daley also promotes the idea that "minority" participation should be "celebrated" within a NPO (Daley, 2008, p. 51). This is problematic as taking a celebratory stance to changes in diversity and representation on an NPO board may actually orient such praise and power toward the oppressive system itself. Board participation from groups with HMIs should not need to be celebrated by White board members, as this may focus the accomplishments of the diverse members solely based on their identities and not their abilities.

Although limited, the key findings in research on NPO board diversity are consistent. The findings associated with the main studies on this topic reveal that NPOs both historically and currently struggle to address and improve the representation of diverse board members at the governance level (BoardSource, 2017). Collectively, NPOs and the social service sector at-large agree that board diversity is important and enhances the functions of an organization (BoardSource, 2017; Ostrower, 2017). This is consistent with studies that examine the effectiveness of NPO boards, and how NPO diversity directly supports organizational

improvements (Bradshaw & Fredette, 2013; Callen et al., 2009; Carver, 2006; Harris, 2014;

Herman & Renz, 2008; Ward & Forker, 2015). This is true of leadership in NPOs as well as

board members who sit in governance roles within agencies. Relatedly, the social service sector

has notably struggled with addressing issues with diversity on NPO boards (BoardSource, 2017;

Ostrower, 2007). While early accounts of this topic suggest that NPOs have had an opportunity

to address the issue, little to no progress has been formally documented (Widmer, 1984;

BoardSource, 2017).

Nonprofit Board Roles

Among conversations associated with nonprofit board diversity, it is imperative to

consider the overall roles and functions that boards contribute within NPOs. It has been

documented that NPO boards are critical to enhancing the productivity, development, and overall

success of an agency (Bradshaw & Fredette, 2013; Brown & Guo, 2010). NPO boards hold

numerous critical roles with the social service sector, as research has highlighted how they are

integral for strategic planning, funding, and financial oversight, as well as public relations

(Brown & Guo, 2010). Another vital role NPO board members hold is to develop, monitor, and

approve the policies and practices of an agency (Brown & Guo, 2010). This role includes major

decision-making abilities that affect the "day-to-day operating practices" of an agency, including

how services are planned and implemented by agency staff to serve diverse client populations

(Brown & Guo, 2010). The reality of the impact this can have on clients and communities

underscores the importance of good governance within NPOs, including how board members are

involved in the implementation of services that address social power dynamics (Brown & Guo,

2010). This power dynamic is vital in understanding the relationship that exists between board

members, NPO staff, and client populations served by an organization. Fundamentally, this

power dynamic illustrates how NPO board members may hold power and influence the services
that are offered by an organization, which in turn may have some type of impact (e.g., positive,
neutral, negative) upon the social service sector and society at-large.

Relatedly, a key takeaway from the literature illustrates how the power dynamic evident
in the roles and responsibilities that NPO board members hold may call into question how board
membership is often *not* reflective of the client populations served by agencies (Denny, 2015).
This is a matter of social justice suggesting that the social services offered to clients utilizing
NPOs may also be lacking cultural humility, competency, and knowledge. As NPO boards
represent organizations as a governing body, they sequentially assume major responsibility for
the impact NPOs have on the communities they serve. Due to the statistics that show that NPOs
historically serve marginalized communities, based on the literature it may be argued that it is
imperative that board members are able to authentically understand the complexities and unique
need of these communities. Research demonstrates such complications as NPOs are responsible
for serving higher rates of those within BIPOC and LGBTQ+ communities, the disabled, as well
as women, all who may receive inadequate services based on the perceived needs of board
members (Ivey, 2018).

While research identifies that diversity is overall beneficial to NPOs and positively
impacts effectiveness, functions, and community standing, there remains no clear consensus on
how to increase the level of diversity on such boards (Buse et al., 2016; Gazley et al., 2010;
Harris, 2014). As previously described, diversity, although capable of including an array of
identities, is most often examined through racial and ethnic identities, gender, and age associated
with current research on this topic (Buse et al., 2016; Harris, 2014,). In order for diversity to be
truly representative on boards, other marginalized identities must be included in the conversation

and studied in future research, resulting in an expansion of scholarship in this area as well. Additionally, it is worth noting that certain barriers may exist when documenting various identities at NPO boards. For example, a NPO with a religious affiliation may be less inclined to support research on board members who identify as members of the LGBTQ+ community— mainly due to the collective mainstream religious objection to LGBTQ+ identities and rights.

Available research on NPO board diversity is regularly situated in agency, resource dependence, NPO, and institutional theories that will later be examined in depth in this chapter (Knutsen, 2012; Miller-Millesen, 2003). As previously mentioned, such theories seek to understand the unique nature of NPOs and the ways they interact with society (Knutsen, 2012; Miller-Millesen, 2003). As these theories are concerned with exploring the identities and development of NPOs, they are also applicable to the specific characteristics demonstrated on NPO boards (Knutsen, 2012; Miller-Millesen, 2003). Overall, the theoretical orientation of NPO board diversity literature is dependable but lacking. The majority of studies on this topic that incorporate theories and frameworks focus on the roles and functions of NPO boards. While this is helpful in understanding how NPO boards operate and function, studying the theories alone does not offer tangible solutions to the larger problem. Therefore, these theories provide an opportunity for future research on NPO boards to include additional dimensions of analysis such as diversity at the board member level.

One major takeaway from the existing literature on this topic that is challenging is the marked absence of quantitative research on NPO board diversity. Quantitative research on NPO board diversity would significantly add to the literature by identifying and examining potential benefits to organizations and diverse populations not explored with other methods (e.g., qualitative). Such benefits may include increased agency transparency, improved client

perceptions of an agency, its staff and board, greater creativity and innovative ideas emanating from board membership, and an agency's ability to justly serve a population via affirming and impactful service provision while emphasizing social justice.

Performance

One prominent example of vital quantitative work comes from Buse and colleagues (2017) who used a national data set of surveys completed by 1,456 nonprofits in 2012 and completed an empirical analysis to determine if board diversity impacts NPO board performance and efficiency. The researchers analyzed the relationship between diversity, as defined by age, gender, and racial/ethnic identity, with internal and external government practices, board inclusion behaviors, and board diversity policies and practices. The researchers relied on a fixed relational research design to conduct their study, and based on their empirical analysis, the researcher's revealed four major findings. The first finding noted that a board's diversity impacts the effective performance of its governance duties and responsibilities. Second, the researchers found that a board's diversity policies and practices as well as its inclusion behaviors impact the effectiveness of its governance practices. The third finding noted that board diversity aspects related to gender, age, race and ethnicity impact its diversity policies and practices. The fourth finding identified that the relationship between governance practices and the racial/ethnic diversity of the board is complex as it is impacted by board diversity policies and practices, the inclusive behaviors of the board, and that there was also an interaction effect related to the gender diversity of the board.

The research findings presented in this study identified several key actions that NPOs can utilize to promote board diversity, while also emphasizing the importance of future research in this area. The purpose of the study was to identify areas in which board diversity can benefit

NPOs by reviewing the critical relationship that board diversity has with various characteristics of NPO boards. Specifically, the researchers determined that board chairs and nominating committees should seek both gender and racial/ethnic diversity when recruiting new board members, as well as create and promote diversity and inclusivity policies and best practices. Still, it is worth noting that there were also several correlations examined that resulted in no significant relationship. Specifically, no association was found between the relationship of board diversity policies and practices, or the relationship between board age diversity and internal or external governance practices. Furthermore, when examining the association between gender diversity and internal/external governance practices, no significant relationship was found with board inclusion behaviors. This research is valuable because it reviews the relationship between NPO board diversity and NPO board performance and efficiency; drawing such useful conclusions may increase the likelihood that NPO boards value diversity while also identifying potential key benefits.

Representation in the Social Service Sector

There are additional important factors associated with the need to continue promoting systemic changes associated with diversity and representation across the social service sector at-large. Specifically, statistics underscore that the United States is becoming increasingly diverse, and the share of non-White citizens is expected to surpass the percentage of White citizens within the next two decades (Chow, 2018). Such changing demographics in the United States, and increased prevalence of people with varying racial and ethnic backgrounds, supports why the National Association of Social Work (NASW) identifies the need for changes in "social work policy agendas at the organization level" that directly affect diversity (2016, p. 8) These substantive demographic changes in the U.S. will continue to result in diversifying the client

base of those served within non-profit organizations and other settings, and this points to a need

for systemic change that includes greater diversity and representation within the social service

sector, and specifically on nonprofit boards.

The NASW notes the need for expanding all types of diversity in the social service sector

and emphasizes the importance of supporting diversity within the educational system to tackle

such issues proactively (NASW, 2019). Research identifies that the social service sector,

especially professionals who are directly involved in NPOs, should consider taking more robust

actions on addressing NPO board diversity to promote social and racial justice (NASW, 2019).

The NASW's cultural competency standards assert that change needs to take place at all levels in

the social service sector—and first start with educators who are called to "recruit, retain, and

graduate a diverse student body" (2016, p. 9). Additionally, the social service sector is

challenged to continue to incorporate the importance of "cultural diversity in all aspects" of

social service delivery, including the demographic composition of NPO staff (NASW, 2016, p.

9). The NASW provides an encompassing view of diversity, and describes the importance of

promoting "national origin, color, social class, religious and spiritual beliefs, immigration status,

sexual orientation, gender identity or expression, age, marital status, and physical or mental

disabilities" across varying levels within the social service sector, and especially in leadership

(NASW, p.9). However, what is defined in the NASW standards of cultural competency is not

always evidenced in the challenging realities of the social service sector. Lewis notes the high

percentages of White people and men in leadership roles in the social service sector are

oftentimes handpicked for executive roles as a result of privilege and bias (2018).

One solution to assist the profession in continuing to support diversity and representation

efforts may be the promotion of greater cultural competency across the social service sector.

Drawing on previous research, Ivey states that NPOs may be able to increase diversity by

promoting cultural competency within the workplace (Ivey, 2018). However, while cultural

competency may be critically important in the relationship between diversity and the social

service sector, there is no clear consensus on how NPOs can use cultural competency to diversify

the various levels of their workforces (BoardSource, 2017; Daley, 2008; Ivey, 2018). Ivey

reviews possible barriers NPOs may face in diversifying their staff and boards, stating that issues

with "unconscious bias may occur" in the hiring process, employment referrals may "perpetuate

a homogenous workforce", and a problematic reputation related to "public perception" can limit

"attracting diverse applicants" (2018, p. 17). While research shows that promoting cultural

competency within the social service sector may benefit NPOs, approaches and methods of

embracing this sort of competence have mixed results (Daley, 2008; Ivey, 2018). Additionally,

issues with bias, whether conscious or unconscious, may affect a NPO's ability to hire and retain

diverse candidates (Ivey, 2018). These issues illuminate several foundational reasons that the

social service sector may be struggling with systemic issues to promote and expand diversity

within staffing, most especially related to NPO leadership.

It is worth noting that not everyone agrees on the importance of race and ethnicity

(among other forms of diversity) and cultural competency in the social service sector. Contrary

to the aforementioned research, Taylor-Brown et al. (2001) argue against the perspective that

"only members of the same ethnic, racial or cultural group are qualified to serve individuals from

the particular group" (p. 185). Taylor-Brown et al. state that cultural competence is important for

the social service sector because it encourages all social workers, regardless of their traits or

identities, to "develop and deliver individualized social services with a culturally appropriate

context" (2001, p. 185). Additionally, Taylor-Brown et al. also reiterate that culturally

appropriate services provided by staff needs to be "more than an understanding of a person's racial, ethnic, or cultural identities" and also includes "assessing the interactive influence of multiple factors" (2001, p. 185). The authors describe the notion that "Black people can only serve Black people" or that "Latinos can only serve Latinos" as "cultural chauvinism" (2001, p. 185). While this insight and perspective is important, it certainly attests to the reality of the demographic composition of current social workers, whereas promoting diversity in the workforce with a balance of cultural competency and humility may collectively benefit the profession as whole.

Benefits of Diversity and Representativeness

Perhaps the biggest advantage to promoting diversity and various forms of representation across the social service sector directly concerns nonprofit organizations and the diverse communities they serve. An important element to consider in this relationship is the specific benefits NPOs can receive from increasing forms of diversity among staff and board members. The recruitment, retention, and promotion of staff and board members who are diverse and representative of the communities served by an NPO has been shown to increase agency performance and productivity (Buse et al., 2017; Harris, 2014; Ivey, 2018). One specific study reviewed the relationship between NPO performance and board membership composition (Harris, 2014). v Promoting a framework that suggests "diversity plays an important role in NPO success," Harris identifies that the lack of diversity and inclusivity on boards may actually prevent NPOs from achieving greater performance potential. Based on an empirical analysis, Harris notes that "heterogeneity in groups promotes creativity and innovation," while suggesting "the need for diversity is an essential part of making effective decisions and delivering appropriate services to [clients of color]" (p. 114). Harris also notes that NPOs that have greater

board diversity perform better when compared to NPO boards that lack such diversity. With increasing diversity among U.S. demographics and stagnation in diversity associated with board member composition, Harris argues that NPOs may face greater disconnection with the communities they serve (2014).

Increasing diversity and representation in the social service sector may pose additional benefits for NPOs. For instance, some research shows that there is a correlation between having diverse staff and a NPO's ability to provide culturally competent services (Buddington & Esmail, 2017). Buddington & Esmail completed an analysis that is critical to understanding the importance of having diverse staff members for the purpose of providing culturally competent social service delivery. The authors found that "ethnicity was significantly related to cultural competence pertaining to working with diverse groups" as well as the promotion of "social and economic justice issues" (p. 5). The researchers also found that Black social service sector workers "had the highest level of cultural competence" within the sector, while predicting that diverse individuals (including Black staff members) may possess greater cultural competence in social work due to a "manifestation of their experience" including "accommodation with issues of discrimination, social and economic injustices" in the field (Buddington & Esmail p. 5). Buddington & Esmail also noted the need to increase NPO staff and board diversity, identifying that staff members across various racial/ethnic identities may have differing reactions to the "multi-ethnic, multicultural, and multi-racial composition" of their client populations (p. 5). This highlights how a focused improvement upon diversifying staff and board members alike may improve culturally competent and affirming service delivery within an NPO, and thus ensure clients more authentically and effectively connect with staff and board members who fully understand their diverse identities and lived experiences.

Bradshaw & Fredette (2013) found that "representation of visible minorities and different ethnic groups" is low across other Western countries, providing evidence that NPO board diversity challenges are occurring elsewhere (p. 1126). However, it is important to note that the researchers also found that female representation is high among large Canadian NPOs, which is a statistic not prominent within NPOs in the U.S. (Bradshaw & Fredette, 2013). Additionally, the researchers noted that "macro contextual/environmental factors" are capable of having an impact on NPO board diversity, which is supported in their data analysis (p. 1127). In this context, macro contextual factors that influence board diversity consists of social constructs such as religion, culture, and various belief systems. The researchers also stated that one of their most important findings was that "NPOs who want to increase the range of ethnocultural and visible minority representation on their boards, regardless of organizational age or size, benefit from embedding and institutionalizing formal diversity related practices" (p. 1127). This study is critical in identifying the unique opportunities NPOs in the US may have—as clearly identified from countries with more successful diversity efforts.

Lastly, Gazley et al. (2010) utilized a sample of 170 community mediation agencies from across the US and found that theoretical relationships existed between "organizational characteristics, interorganizational linkages, and performance" (p. 617). The researchers noted a fundamental contribution of the study examined representativeness in NPO boards with both "objective and subjective outcome measures" (p. 618). The Gazley et al. study is supported by this dissertation research as it emphasizes the importance and benefits of NPO board diversity and representativeness that can directly benefit an NPO, as well as the need to understand theoretical relationships.

Gazley et al. reported their study findings on NPOs in the context that, "the research on board diversity is still fairly shallow, and scholars face a limited taxonomy and conflicting findings" (p. 610). Drawing upon this dilemma, the researchers looked to add to the conversation by reviewing the impact of "diversity and representativeness on performance" in a NPO (p. 610). The researchers also made an important distinction between diversity and representativeness, arguing that it is a "more purposeful term, referring to the context to which an organization reflects constituent characteristics in its governance" (p. 610). With this assertion, the researchers suggest it is not just important to have diversity on a board, but to expand this further by having a board that demographically reflects the population served by an agency.

Organizational Theories

Organizational frameworks are essential to understanding the social, political, and economic realities that impact nonprofits and their boards. The empirical study of NPO boards has been largely influenced by organizational frameworks that portray a wide-range of NPO boardrooms, including their roles, functions, and culture (King et al., 2010). Within this realm of study, three prominent frameworks emerge in the literature to describe NPO boards that include agency theory, resource dependence theory, and institutional theory. While unique, each theoretical disposition unites by exploring the practices of an NPO board and how such boards interact with the world at-large. As NPO boards are legally allowed to have great variance between one another, the application of theories to these boards can be quite nuanced (Miller-Millesen, 2003). Still, research that explores organizations underscores that NPO boards generally adhere to certain common characteristics, such as those required by law for organizations with a 501(c)(3) status (IRS, 2020; Miller-Millesen, 2003). In addition to legally required functions, NPO boards traditionally follow general procedural guidelines that promote

good governance (Laughlin & Andringa, 2007; Lee, 2016; Miller-Millesen, 2003). While norms

vary, good governance commonly includes following established policies and procedures that

emphasize strategic planning; resource attainment (financial and human recruitment);

transparency; effectiveness; advocacy; altruism; and the mission driven motivation of board

members (Laughlin & Andringa, 2007; Lee, 2016).

The scope and breadth of research on NPOs is expansive, while their boards receive

much less attention. This is in contrast to the for-profit sector, where literature on corporate

boards is more readily available. A review of recent research on NPOs boards reveals that

empirical data largely centers around organizational roles and functions (Bernstein et al., 2015;

Brown & Guo, 2010), organizational effectiveness (Bernstein et al., 2014; Herman & Renz,

2008), organizational change (Hyde, 2012; Packard, 2013), and organizational culture (Brothers

& Sherman, 2011; Hemmelgarn et al., 2006; Pinho et al., 2014). To better understand how

organizational frameworks apply to understanding the role of NPO boards, agency, resource

dependence, and institutional theories was explored.

Agency Theory

Agency theory was first described during the 1970s in the for-profit sector (Mitnick,

2013). At the core of agency theory is an interest in uncovering the relationships that exist

between organizational development and structures—such as boards (Mitnick, 2013). One of the

primary components of agency theory is evaluating organizational success through a community

lens (Mitnick, 2013). In doing so, agency theory focuses on the interconnected relationships that

exist between organizational systems such as board members, staff, and clients (Mitnick, 2013).

While agency theory was originally popular within business literature, the framework was soon

applied to the nonprofit sector during the 1980s (Mitnick, 2013). When applied to NPOs, agency

theory helps to parse out the multifaceted organizational structures that differ from those seen across the for-profit sector (Mitnick, 2013).

An important element of agency theory is that control and ownership in an organization is both observable and independent (Mitnick, 2013). That is, the various levels of leadership present within an organization demonstrate how power and change often occurs in NPOs (Bernstein et al., 2016; Miller-Millesen, 2003). Most notably, this dynamic can be observed at the level of the board and senior administrative staff, such as between the board chair and the organization's CEO (Callen et al. 2010; Miller-Millesen, 2003). Agency theory suggests that NPO boards hold the fundamental power or "control" to direct the functions and future of an organization (Bernstein et al., 2016; Callen et al., 2010). As such, the board holds the responsibility to ensure that the goals and mission of the agency are aligned with interests of the community (Callen et al., 2010). The cyclical nature of leadership in agency theory identifies how an organization's goals should connect with the NPOs mission, be directed by the board, and overseen by organizational staff (Callen et al., 2010).

Agency Theory and Nonprofit Board Diversity

Agency theory clearly identifies the roles and activities that nonprofit boards may assume. Within these roles, a clear power dynamic is presented as NPO board members collectively hold the ability to monitor and assess the capacity among members of senior leadership to support an agency's mission. When applied to NPO board diversity research, agency theory may open a pathway for board members to own greater responsibility over diverse membership composition trends within an agency. As agency theory promotes the executive functions of NPO boards, the responsibility to increase the diversity and inclusivity within an agency and its board may be a key role of its board members. This could be explored in research

that applies agency theory to NPO board diversity as a means to better understand how NPO boards can adopt recruitment and retention policies, practices, or procedures that ensure the integration of diverse board members. Additionally, the creation and implementation of such policies and procedures could be studied for their effectiveness in supporting and expanding diversity and inclusion efforts.

Markedly absent from agency theory is the incorporation of examining dimensions of NPO board composition. Rather than placing importance upon diversity and inclusion in the recruiting process, NPO boards may instead seek to nominate potential candidates with leadership credentials through the lens of agency theory. This possibility exists because of the emphasis agency theory places on the roles and responsibilities assumed by NPO board members. NPO boards often recruit from the for-profit sector, where leadership traditionally reflects the current composition trends witnessed among NPO boards (Ivey, 2008). In turn, this element of agency theory may continue to promote the cyclical promotion of White, cisgender, heterosexual men on NPO boards as currently identified within available research. While agency theory is steeped in the development and protection of the longevity of an NPO board, the absence of identifying the need for diversity in this process underscores limitations of the theory.

In general, agency theory falls short in acknowledging the critical role that social justice plays across the different dynamics and functions of an NPO board. Specifically, agency theory places emphasis on the promotion of for-profit sector leaders to NPO boards, including many who historically have held identities not reflecting those of the populations served by the agency (Ivey, 2008). The emphasis on this type of leadership recruitment may be a byproduct of the business-centric origins of this particular theory. The power dynamics exposed in agency theory further identify potential complications of influence and authority, most specifically related to

the fact that boards hold the responsibility for retaining and monitoring senior leadership. This dynamic could be perpetuated if an NPO board collectively decides that diversity and inclusion are not important nor relevant to the success of an agency. While both benefits and limitations of agency theory exist when applied to NPO board diversity, further discussion is critical to understanding how such organizational theories influence future research.

Resource Dependence Theory

Resource dependence theory (RDT) traces its roots to various empirical studies on corporate organizations that spanned the 1950-70s (Miller-Millesen, 2003). The development of RDT is situated in a framework that views the NPO board "as a mechanism to reduce environmental uncertainty and provide access to critical resources" for an organization (Miller-Millesen, 2003, p. 533). Searching for resources available in the environment is an important component of NPO development, and this framework was eventually adopted to fit the social service sector during the 1990s (Miller-Millesen, 2003, p. 533). Within social services, the focus of RDT is on the relationship between a nonprofit and its environment, which is viewed as the focal point in providing adequate resources for an organization to survive and thrive (Miller-Millesen, 2003).

The primary responsibilities of an NPO board as viewed through RDT are associated with the sustainable development of an organization, particularly by focusing on reducing dependencies and increasing "the flow of a variety of resources through personal and professional contacts" (Callen et al., 2010, p. 104). Additionally, a core component of RDT centers upon a board's ability to build a favorable external image, which in turn promotes the visibility and vitality of an agency (Callen et al., 2010). RDT supports the development of an NPO board that includes members who are capable of "improving the organizations' outside

image" (Callen et al., 2010). An additional role NPO boards hold is the ability to "raise funds" on the agency's behalf (Callen et al., 2010, p. 107). Within this theoretical orientation, an NPO board holds responsibility in ensuring an agency has access to funding streams. This is evident in the emphasis on fundraising efforts that are expected of NPO board members. These components of the theory emphasize the importance of who serves on an NPO board, and more specifically, how they contribute to the development of an agency.

Within the context of RDT, NPO boards are tasked with identifying "candidates who can improve" the agency's public image and foster important relationships with stakeholders to ensure the life of an agency (Miller-Millesen, 2003, p. 530). RDT is a unique perspective for NPO boards to engage with, as board members are encouraged to focus on "serving as ambassadors, advocates, and community representatives" (Miller-Millesen, 2003, p. 530). This element of the theory highlights the importance of not only who serves on an NPO board, but how candidates are recruited based on their credentials and potential leverage (Callen et al., 2010). Within this theoretical orientation, NPO board members are expected to be involved in the communities where they live and serve (Callen et al., 2010). Moreover, NPO board members are expected to actively promote the organization and its mission when they are outside of the agency setting itself, suggesting the role of the board member extends far beyond the meeting room. This cooperative role also calls upon NPO board members to actively "collaborate with other organizations" as a means to increase the agency's status within the community it serves (Callen et al., 2010, p. 107).

Resource Dependence Theory and NPO Board Diversity

RDT emphasizes the importance of who serves on the board, including their connections to the community and fundraising abilities. In some respects, resource dependence theory

politicizes the NPO board experience, as members may be recruited based on their financial connections or standing within a community. As RDT suggests NPO board members be active members within the communities they serve, this role may be a natural fit for someone who is either an actual member of the community (e.g., resides in the area) or shares demographic identities (e.g., race, sexual orientation) with members of the community being served. A member of a diverse community served by a NPO could complement and strengthen the board as community members may be more inclined to trust one of their own. This insider status could potentially benefit an NPO and its board by fostering more authentic, and culturally sensitive relationships with service users and community members alike.

When RDT is placed in the context of NPO board diversity research, studies might benefit from focusing on the value of recruiting board members who are actual members of the communities that an NPO serves. During such research, input could be gathered from both NPO board members and community members to uncover potential benefits or limitations to participation. As RDT stresses the importance of advocacy and community representation, there exists an opportunity in future research to explore how NPO board member identities may impact outreach efforts. Additionally, research focusing on this theory could be situated on an agency's public image and how the identities of NPO board members may impact this image.

From the social justice perspective, a limitation of this theoretical approach in connection to NPO board diversity is the strong focus on monetary contributions. Specifically, members of marginalized communities where NPOs traditionally serve may be overlooked during the board recruitment process based on stereotypes of perceived income or fundraising abilities. This limitation exists primarily because current NPO board membership is predominantly held by White men, who based on their historical status in society may hold conscious or unconscious

biases against certain groups or populations. This specific example provides an opportunity for future research that could explore the social justice implications of applying RDT to NPO boards. Both benefits and challenges can be observed when applying resource dependence theory to NPO board diversity research, and the identification of these elements promotes the need for further research within this theoretical perspective.

Institutional Theory

An additional organizational framework that may assist with understanding the functions of nonprofit boards is institutional theory, also known as new institutional or neo-institutional theory. Institutional theory emphasizes the importance of norms, structures, and functions that are present within an NPO (Miller-Millesen, 2003). Institutional theory derives from old institutionalism, which generally focused on the unique nature of an individual organization without regard to comparative models (Barley & Tolbert, 1997). Since the 1980s, institutional theory has generally focused on the complex systems that contribute to an organization, including how these functions relate to their environments (Aten et al., 2012; Miller-Millesen, 2003).

An additional important element of institutional theory is power and legitimacy (Abzug & Galaskiewicz, 2001). Most notably, the idea that organizations possess inherent duality, meaning they adhere to societal norms but also possess the ability to act independently (Abzug & Galaskiewicz, 2001; Barley et al., 1997). This element of power as described by institutional theory demonstrates how organizations are not solely focused on inward systems, but rather are outwardly prone to changes based on various environmental factors as well (Barley et al., 1997). This reality illustrates how organizations are susceptible to changes that occur through social

movements and actions, which oftentimes have a ripple effect across society and can impact multiple organizations simultaneously (Barley et al., 1997).

While limitations exist in institutional theory, such as not acknowledging power dynamics that exist between NPO boards and client populations, it provides practical steps that NPO boards can take to gain a clearer understanding of a client or community needs. This is of particular significance when assessing an organization's understanding of the importance of diversity, which may emphasize the need for NPO board members to learn about the voices and lived experiences of client populations more clearly.

Institutional Theory and Nonprofit Board Diversity

When applied to nonprofit board diversity research, institutional theory may be situated in the context of assessing the need for instituting additional agency policies and best practices. Specifically, such research might examine concepts, themes, and connections present in agency policies and practices that either support or inhibit the promotion of diversity on NPO boards. Research on NPO board diversity within this theoretical framework could also focus on how such policies and procedures are/or are not being written, who is/or is not writing them, and how they are/or are not applied within the board context. The application of such policies and procedures may shed light on how NPO boards interact with diversity factors, and whether diversity is unintentionally supported or in fact may be suppressed. Another way NPO board diversity research could be applied to this theory is through the analysis of policies and procedures that may inherently include discriminatory references or language. Due to the focus on rules and regulations presented within institutional theory, NPO board diversity research may be able to examine multiple facets of an agency in order to better understand ways in which NPO boards either support or limit diversification efforts.

Implications for social justice within the context of institutional theory include potential issues with the standardization of board policies and practices. Given that current research on NPO boards identifies that membership is primarily held by White cisgender heterosexual men, it may be inferred that current policies and practices were created by these individuals. The institutionalization of such policies and practices may indicate why NPO boards struggle with recruiting and maintaining diverse board members. Within the NPO board context, institutional theory may place emphasis on consistency and standardization at the cost of formulating inclusive practices or policies that support diversification. Further research exploring institutional theory and NPO board diversity remains vitally important.

Comparison of Organizational Theories and NPO Board Diversity

Referring to the relationship between agency theory, resource dependence theory (RDT), and institutional theory, Miller-Millesen asserts that "each theory paints an incomplete picture of a highly complex phenomenon because each theory focuses on a different set of activities and functions" (2003, p. 522). This understanding is critical when comparing these organizational theories in the context of nonprofit board diversity research. The combination of these organizational theories "are not mutually exclusive ways of looking at an NPO board" but rather may be complementary when used to further understand functions, dynamics, and composition trends of boards (Miller-Millesen, 2003, p. 534). When reviewing the frameworks of these organizational theories, it is important to consider the benefits and limitations when each is applied to NPO board diversity. In general, each theory offers a distinct lens to examine NPO board diversity and creates a foundation for future research. Therefore, to better understand the context of the three organizational theories examined in this chapter, the major themes of each theory were compared.

When applied to NPO board diversity, agency theory uniquely places emphasis on the executive functions and roles of a board (Callen et al., 2010). Specifically, agency theory differs from other organizational theories because of the importance placed on the board's ability to monitor and assess agency performance, expectations, and behavior (Callen et al., 2010). The power dynamic presented within this theoretical orientation is clear and pertinent when applied to NPO board diversity. Such power highlights the freedom an NPO board may hold when classifying "evaluation criteria," as well as deciding on goal development and implementation (Miller-Millesen, 2003, p. 534). When compared to other organizational theories, agency theory may present a distinct opportunity to focus on building diversity and inclusivity within an agency. This could potentially be accomplished through the development and dissemination of policies, practices, and procedures that support diversity and inclusion, especially at the board level.

RDT, when compared to other organizational theories, is primarily concerned with the relationship that exists between a NPO board and its environment (Miller-Millesen, 2003). Specifically, this theoretical orientation emphasizes the importance of recruiting board members who are capable of serving as advocates and representatives of an NPO within the various communities connected to an agency (Miller-Millesen, 2003). In relation to NPO board diversity, this theoretical orientation is unique in the sense that a positive image of the agency is viewed as central to its sustainability, which may be accomplished through the recruitment, retention, and ongoing development of diverse board members (Miller-Millesen, 2003). Within this same context, the image of an NPO is shaped by the flow of monetary resources that is supported by active board members, who may have different experiences with fundraising based on their backgrounds and identities. When compared to other organizational theories, RDT focuses on

building and maintaining an NPO's relationship with its external environment. Paired with NPO

board diversity, research conducted through the lens of RDT may strive to identify how diverse

NPO board members may best interact with the environment.

Institutional theory places its chief emphasis on the standardization of NPO board

structure and functions when compared to other organizational theories (Miller-Millesen, 2003).

Within the context of research on NPO board diversity, institutional theory relies on the

influence that agency policies and practices have on diversity and inclusivity. Moreover, an

important element of consideration pertains to how these policies and procedures may

inadvertently support or limit NPO board diversity. The differences noted within this

organizational theory are further acknowledged by the importance placed on assessment and

appraisal (Miller-Millesen, 2003). When applied to NPO board diversity research, the context of

assessment is important in terms of identifying the levels of diversity and inclusivity apparent

within a board's structure, composition, and functions. Compared to other organizational

theories, institutional theory stresses the need for consistent governance practices that mirror

structures and functions present in other NPOs (Miller-Millesen, 2003).

As discussed, agency theory, RDT, and institutional theory offer unique lenses to

understanding the complexities evidenced within NPO boards from an organizational

perspective. While these theories all support organizational development and can be applied to

NPO board diversity, they fundamentally stand apart with their respective foci. Perhaps the

greatest collective contribution of organizational theories when paired with discussions about

NPO board diversity is the critical need for an expanded conversation on the topic. Ultimately,

each organizational theory described in this chapter offers a distinct perspective on the intricate

importance, functions, and dynamics of various NPO board diversity factors.

Based on this discussion, organizational theories may be broadly utilized to understand

complex phenomena that may impact NPO board development, functions, and roles associated

with diversity. One of the fundamental challenges within this process is pairing and applying

organizational theories that are steeped in business-centric development with NPOs that are

oftentimes vastly different from for-profit corporations and entities. This is evident as the

majority of organizational theories have roots in the for-profit sector, and over time have been

adapted to fit within the various structures of NPOs, including boards (Mitnick, 2013). Miller-

Millesen identified the importance of applying organizational theories to NPO boards as a way to

gain better understanding on their functions, roles, and operations (2002, 2003). This context

provides an important opportunity for NPO board diversity to be examined within the framework

of organizational theories. Still, the need to apply additional frameworks to NPO board diversity

is important. One such area of theorization that deserves attention is within the realm of member

and governance theories. These theories help expand upon organizational theories by providing

insight into the life cycle of board membership and governance systems. The following section

will explore social environment and generalist theories to provide a deeper understanding of

NPO board diversity.

Board Member and Governance Theories

Social Environment Theory

An additional way to explore nonprofit boards in the context of the macro, mezzo, and

micro spheres is through the lens of Social Environment Theory (SET). Specifically, SET helps

describe the complex relationship and interactions between NPOs and the social environment,

such as those that exist between their internal and external relationships (Mulroy & Austin, 2004;

Tropman & Nicklett, 2012). The ontological and epistemological base of SET focuses on the

pursuit of knowledge that is derived from social interactions between two or more entities

(Tropman & Nicklett, 2012). Specifically, meaning is derived from understanding the context in

which such entities exist and how they form social reality (Tropman & Nicklett, 2012). Social

environment theory identifies NPOs as social actors and describes how macrosystems and micro-

systems of their services and functions interact (Mulroy & Austin, 2004). Four main systems

emerge from this theoretical perspective, including: the political economy, social policy, social

problems, and social justice. The fourth system of social justice receives critical attention, as it is

the foundation of an inclusive NPO and essential at the community, organizational, and

individual levels (Mulroy & Austin, 2004). In NPOs, organizational dynamics interact with

social structures to create the social environment that is experienced by board members, staff,

and clients alike (Mulroy & Austin, 2004). As internal stakeholders, board members experience

the effects of environmental factors that shape their involvement with both the organization and

the community they serve—via service provision efforts (Mulroy & Austin, 2004; Tropman &

Nicklett, 2012). This relationship can be empowering for board members who, under the

guidelines of SET, are tasked with identifying and addressing social oppression and injustice

factors impacting the communities served by an NPO and responding accordingly (Mulroy &

Austin, 2004).

In the context of client populations served by an NPO, SET identifies the importance of

board members understanding the communities they serve. One of the benefits of social

environment theory when applied to NPO boards is that it demonstrates the need for NPO board

members to have direct-service interactions with clients, which is directly supported by evidence

based research on this topic (Truong et al., 2014). This opportunity is often presented to NPO

board members through volunteer opportunities. Research shows that board members who

engage in volunteering at the organization they serve is mutually beneficial to board members and clients alike (Inglis & Cleave, 2006). Board members receive a sense of purpose and more deeply understand the needs of clients, critical care, and service provision (Boschee, 1998; Inglis & Cleave, 2006). This dynamic highlights the importance of the relationship between NPO board members and client populations that promotes culturally appropriate service delivery.

With regard to additional meaning for NPOs, Social Environment Theory (SET) also assists with identifying the role of external relationships, such as through political involvement and advocacy efforts, and interactions that may occur between boards and client populations. Research on this topic underscores that more than 70% of NPOs in the US engage with political advocacy efforts (Smith et al., 2017). Though advocacy practices may differ between one NPO and the next, the majority seek to advocate on behalf of the client populations they serve and secure more monetary resources and support (Smith et al., 2017). Historically, NPO board members assume a key role and responsibility related to political engagement and advocacy on behalf of their clients (Bernstein et al., 2015). As the governing body of an organization, NPO board members must be motivated to advocate on behalf of clients for the sake of long-term and diversified sources of funding and the sustainability of necessary and important client services (Bernstein et al., 2015). This critical role of an NPO board member is confirmed by SET's focus on external relationships. For culturally appropriate services to be implemented, NPO board members must function as advocates with external stakeholders to secure funding on behalf of their client populations and the organizations that serve them. Relatedly, NPO board members who have direct interactions with client populations may be better equipped to advocate by first listening to, and then addressing their needs.

While SET identifies numerous applicable benefits to NPO boards and clients alike, it neglects the important relationship that power holds in such relationships. Research demonstrates that NPO boards hold power in their ability to direct services delivered by an NPO (Callen et al., 2010). Under the tenets of SET, NPO board members hold immense power—they can choose to interact with clients, approve service provisions, define culturally appropriate services, and often speak on behalf of clients. SET fundamentally sets the stage to address the critical importance of ensuring NPO board membership includes diverse representation directly reflecting the sociodemographics of client populations served. SET also promotes the need for NPO board members to develop an awareness of the importance of diverse representation. As previously described, the foundation of SET that is observed at all levels of the theory pertains to the role of social justice. A socially just NPO board is able to speak on behalf of a client population to external stakeholders in the same way the client population might speak if given such an opportunity. This complex power dynamic reveals that the social environment, which impacts NPO board members and clients alike, is a vehicle to building relationships and ensuring the interdependent nature of such relationships are understood by all parties.

General Systems Theory

To investigate the gap between the empirical, theoretical, and the evidence-based research associated with nonprofit boards, general systems theory (GST) was examined next. According to Austin et al., the gap between the micro and macro realms is detrimental to NPOs and client populations alike (2016). Ignoring the importance of micro systems in the macro realm inhibits an NPO board's ability to effectively support staff, communicate with external stakeholders, and serve clients (Austin et al., 2016). Theorists have offered frameworks to bridge this gap by linking micro and macro systems, as evidence via GST (Bertalanffy, 1972; Greene,

2017; Johnson et al., 1980). Bertalanffy first described GST in 1968 as a framework to help examine the social relationships and interdependence that exist between an individual, institutions, and society at-large (1972). The cornerstone of this theoretical disposition is that all societal systems are complex and transcend the space between science and theory (Bertalanffy, 1972). From an ontological and epistemological perspective, GST explores the roots of existence and origin of all "systems" such as human beings and societal structures, including the development of knowledge that is derived from such systems (Bertalanffy, 1972).

Understanding NPOs boards, and the experiences of their members, is important and may be better understood by examining the experiences of members through the lens of GST. For example, macro, mezzo, and micro functions are simultaneously independent and interconnected systems that are intricately associated with NPO boards (Austin et al., 2016; Lacasse & Gambrill, 2015; Miller et al., 2008). However, research on NPOs and boards has largely ignored the critical relationship that exists between the macro, mezzo, and micro spheres of NPOs and interactions that occur between client and board member systems (Austin et al., 2016; Austin & Vu, 2012). With an awareness of the influence of GST, NPO board members should be fundamentally concerned with client service delivery—especially related to cultural appropriateness. This aligns with Buse (2014) and Denny's (2015) assertion that NPO board diversity and client service experiences are clearly linked.

Applying GST to NPOs helps identify the importance of a wide array of interconnected and overlapping systems—such as board members, clients, staff, and government agencies. Literature exploring the connection between GST and social services provides a tangible intervention framework described as the generalist model (Austin et al., 2013; Johnson et al., 1980; Miller et al., 2008). The generalist model began to appear in social service sector literature

in the 1960s and identifies the need for NPO staff to develop all-inclusive practice skills and acknowledge clients as individuals, groups, organizations, and communities (Johnson et al., 1980). In line with the ontological underpinnings of GST, the generalist model calls for NPO staff to engage with large scale systems by developing competency in managerial decision-making skills that impact both organizations and clients (Austin et al., 2013; Miller et al., 2008). Holding these skill sets is vital, and staff in NPO leadership roles are responsible for sharing issues that may arise within community systems with their board members as there will likely be a direct impact upon client populations (Austin et al., 2016). Leaders who do not possess the ability to utilize both direct service and managerial skills run the risk of misconstruing community needs to NPO board members, who may sequentially make ill-informed decisions that impact service delivery to clients. This example underscores the critical importance of understanding each unique system and its corresponding impact upon other systems.

Applying GST and the generalist model to understanding the relationship between NPO governance systems and client systems helps shed light on these multifaceted entities, which inherently rely on a symbiotic relationship to function (Austin et al., 2016; Austin & Vu, 2012). This is supported by importance of client participation in board processes that is apparent in evidence base research and practice (Goode et al., 2006). Oftentimes, the roles and functions of NPO boards are viewed solely within mezzo and macro frameworks (Austin et al., 2016; Menefee, 2009). However, a deeper dive into the literature reveals that NPO boards cross the micro divide and engage with meaningful individual-based practice efforts (Austin et al., 2016; Menefee, 2009). For example, NPO board members engage in relationships with one another, as well as staff members during programmatic meetings, and with clients through volunteer or fundraising initiatives (Austin et al., 2016; Menefee, 2009). These interactions influence

decision-making and strategic planning, which enhances the ability for positive outcomes impacting client systems (Austin et al., 2016; Menefee, 2009). Namely, NPO staff, including frontline and management workers, are reliant upon service delivery decisions and actions taken at the governing board level (Austin et al., 2016; Austin & Vu, 2012). This is especially relevant as NPO employees, especially direct service workers, are often responsible for implementing organizational decisions directly related to service provision and client care (Austin & Vu, 2012; Brown, 2002; Widmer, 1987).

GST illuminates the importance of having staff and board members who understand the needs and lived realities of client populations to ensure culturally appropriate services are being offered. GST, in connection to the generalist model, also highlights the need for NPO staff members to expand their skills to more fully understand clients and work to implement interventions that address both organizational and community-based needs (Johnson et al., 1980). While this awareness is beneficial for NPOs, the theory is limited in providing concrete practice examples for how NPO governance structures, such as boards, can best utilize its framework. Additionally, while GST identifies the importance of NPOs serving community systems, it does not specifically emphasize the need to implement service delivery and care that is culturally appropriate. Regardless, GST provides an important foundation for NPO staff and board members alike to consider their relationship with micro practice—especially concerning implementing culturally appropriate service delivery to diverse client populations.

While the application of board member and governance frameworks helps to expand the theoretical understanding of NPO board diversity, additional theories are still necessary to understand the social justice aspect of this topic. Specifically, critical race theory as well as queer and gender theories are essential in exploring the relationship between NPO board diversity and

social justice. In the following section, these social justice theories was examined to offer a more holistic picture of this topic.

Social Justice-Oriented Theories

Critical Race, Queer, and Gender Theories

Critical race, queer, and gender theories offer an important and oftentimes intersecting lens on the functions and challenges of nonprofits and their boards associated with addressing diversity needs, opportunities, and challenges. Before gaining recent national attention as a controversial subject supposedly being taught in US public schools, Critical Race Theory (CRT) was largely regulated to the graduate-level academic sphere. CRT, first coined by Kimberlé Crenshaw in the early 1980s, is the exploration of how institutions have historically perpetuated systemic racism (Feit et al., 2017; Heckler, 2019). Applying the lens of CRT to NPO board diversity would appear to be a natural fit, as NPOs have long struggled with institutional racism that has promoted limited diversity associated with board membership and composition. Much of the controversy that surrounds CRT—specifically since it places racism at the center of oppressive institutional and societal structures—is exactly why this theory is necessary to unpack historic and current challenges with NPO board diversity. As described, NPO boards have traditionally struggled with a lack of membership diversity, and more broadly, policies and practices based in subtle and overt forms of racism (Feit et al., 2017; Heckler, 2019). CRT places the racial injustices occurring on NPO boards into the spotlight, further exposing how racism impacts all aspects of an organization—including those within Black, Indigenous, and People of Color communities who are NPO board members, staff, and clients (Feit et al., 2017).

A core component of CRT is the application of how dominant racial discourse has benefited White, cisgender, heterosexual men within organizations (Feit et al., 2017; Heckler,

2019). On NPO boards, this element of CRT is most often identifiable in the promotion of language, practices, and policies that reproduce social hierarchies and neglect communities with historically marginalized identities (Feit et al., 2017). Simply put, NPO boards often unintentionally promote white supremacy through racism, sexism, and homophobia, which are often written into the bylaws and fabric of a board's behaviors, practices, and actions over time. CRT sheds important light on the mechanisms of power that NPO boards ascribe to, which views client populations from a deficit perspective and promotes harmful and often racist tropes and stereotypes (Feit et al., 2017).

Similar to CRT, queer and gender theories may also be important in understanding the relationship between various diversity factors and NPO boards. Queer theory emphasizes the fluid nature of sexuality, and moreover, how heteronormative aspects of society permeate across institutions (Meyer & Willis, 2021; Weiss, 2020). At the core of queer theory is a deliberate examination of social constructs that afflict society (Meyer & Willis, 2021). Adhering to heteronormativity is detrimental to NPO boards, as lesbian, gay, bisexual, transgender, and queer+ (LGBTQ+) community members may feel isolated and oppressed and as if their presence on a board is perpetuating the forces that cause them to suffer (Meyer & Willis, 2021; Roddrick, 2021). Queer theory also emphasizes how heteronormativity intersects with additional marginalized identities, such as BIPOC individuals who identify as LGBTQ+ and experience multiple layers of marginalization within NPOs (Meyer & Willis, 2021; Weiss, 2020). Most poignantly, Queer theory further exposes the convoluted relationship between NPO boards, neoliberalism, and the non-profit industrial complex through the lens that NPOs uphold capitalism at the expense of communities with HMIs (Weiss, 2020).

Queer and gender theories are unique but also have interconnected frameworks. Gender theory exposes the same heteronormative structures that harm LGBTQ+ communities, with an emphasis on women, transgender, and nonbinary individuals (Heckler, 2019; Roddrick, 2021; Themudo, 2009). Traditionally, gender theory has aligned with feminist theory in the sense that women's empowerment was seen as critical to dismantling oppressive systems within institutions—however, over time, gender theory has expanded to include a heightened emphasis on all gender identities (Heckler, 2019; Themundo, 2009). On NPO boards, gender theory underscores the fact that women are not only more likely to give their time volunteering, but also often provide larger shares of their annual income to NPOs (Themundo, 2009). While this is empirically true, NPO board membership and chair positions are still overwhelming filled by White, cisgender, heterosexual men (BoardSource, 2017). Similarly, female CEOs at NPOs continue to be paid significantly less than their male counterparts—a trend that is seen across the corporate sector as well (Faulk et al., 2013).

As discussed in reviewing these social justice-oriented theories, NPOs and their boards adhere to both economic pressures and legal guidelines to remain sustainable, although this is largely at the cost of marginalized communities. This reality demonstrates the ways that the social service sector—though possessing greater empirical awareness—still functions in favor of White, cisgender, heterosexual men (Heckler, 2019). Specifically, the manner in which NPO boards succumb to isomorphism and uphold capitalist ideals directly benefits masculinity, heteronormativity, and whiteness (Heckler, 2019). This reality not only hinders the full incorporation of communities with HMIs on NPO boards (e.g., racial/ethnic, LGBTQ+, cisgender women), but it also makes these individuals more likely to feel tokenized when they are recruited or appointed. Taken together, social justice theories—such as CRT, queer, and

gender theories, further illuminate the social issues that largely hinder the progression of

diversity factors faced by or overlooked by NPO boards (Heckler, 2019).

Social Work and Social Justice Considerations

Culturally appropriate and responsive social service delivery to diverse client

populations, such as those served by nonprofit organizations and boards is an often overlooked

cornerstone of social work practice. Such practices are essential to ensure communities receive

services that accurately address their unique and diverse needs (Sue & Sue, 2008). Culturally

appropriate services are broadly defined as accessible and effective interventions that are

intentionally delivered to a target population based on a wide range of individual and group

characteristics (Truong et al., 2014). As defined by the Council of Social Work Education

(CSWE), practice delivery crosses the macro, mezzo, and micro divide, and must address an

array of diverse and intersectional identities including but not limited to race, ethnicity, gender,

gender identity, sexual orientation, ability, age, and religion (2015). A critical component of

service delivery in NPOs is the role of boards, who engage with practice by seeking funding for

and approving such services (Brown & Guo, 2010). One method NPOs can use to help foster

appropriate services is by creating boards that culturally reflect diverse client populations and

understand their needs (Buse et al, 2014).

To understand the relationship between NPO clients and board members, an important

connection should be made between the various frameworks of social work practice. For clarity,

macro social work practice in the NPO realm can be defined as wide-ranging structures and

policies that connect to social systems such as communities, organizations, and client

populations, as well as funding bodies such as foundations and government agencies (Austin et

al., 2016; Miller et al., 2008). Macro practice is often centered upon the governance systems that

exist at NPO organizations, such as boards, and includes the relationships between governance, policy, advocacy, and service delivery (Austin et al., 2016; Lacasse & Gambrill, 2015). Mezzo practice is typically defined as the sphere that exists between the micro and macro frameworks of social work practice in NPOs which includes the groups that operate within NPOs such as boards, management staff, direct service workers, and clients (Brown & Guo, 2010; Denny, 2015; Lacasse & Gambrill, 2015). In NPOs, the mezzo sphere is helpful in identifying the specific functions and roles of a board and its members (Brown & Guo, 2010; Denny, 2015). Finally, micro social work practice can be defined as the specific interactions that exist between individuals connected to a NPO (Austin et al., 2016). Most often, micro practice is observable through direct service practice methods, such as between clinicians or case managers and their clients. With this framework applied to NPOs, micro practice extends to boards as services delivered to clients is often approved by board members (Brown & Guo, 2010; Denny, 2015).

Historically, communities served by NPOs skew to include a higher representation of individuals with historically marginalized identities—such as people of color, women, and members of the LGBTQ+ community (Brown, 2002; US Census Bureau, 2019; Widmer, 1987). This contrasts national NPO board demographic composition, which for the last 40 years has skewed overwhelming White and male (BoardSource, 2017). Identifying the overlap between the macro, mezzo, and micro practice spheres sheds light on how NPO boards directly and indirectly impact communities and client services (Brown, 2002; Denny, 2015; Widmer, 1987). Specifically, recognizing the social justice implications for these challenges and the direct impact on diverse client populations remains critical to explore (Buse et al., 2014). The relationship between an NPO board and the client population it serves has gained recent attention among both government funders and foundations (Sines, 2018) who often determine if an organization meets

certain criteria for funding (Austin & Vu, 2012). Increasingly, NPOs are asked to submit diversity data to funders to prove they are actively working to increase diversity among staff, administrators, and board member composition alike (Sines, 2018).

Empirical research identifying the importance of culturally appropriate services and their relationship to NPO governance systems remains limited. Still, an important consideration with culturally appropriate service delivery is the role of implementing evidence-based practices. A systematic review examining the evidence base for culturally appropriate service delivery including those implemented by NPOs for health and mental health outcomes revealed notable discrepancies in this field of study (Goode et al., 2006). Notably, Goode and colleagues found that race/ethnicity was the only category that received a usable inquiry framework (2006). Additionally, Goode et al. noted a lack of collaboration and input from communities receiving services, which was compounded by a lack of dissemination of research findings to these same communities (2006). While organizational stakeholders, such as boards were acknowledged as being influential in service delivery, a conceptual framework describing that relationship was not identified (Goode et al., 2006). A systematic review of 19 studies (out of 6,830) that met inclusion criteria showed that organizational influence—including administration, governance, and board decisions—were critical to improving cultural competency through the implementation of appropriate processes and policies (Truong et al., 2014). While this finding is important, Truong and colleagues also found that while a combination of macro, mezzo, and micro practice interventions are required to implement culturally appropriate services, the amount of research bridging this gap remains limited (2014). These findings highlight the need for further research exploring the relationship between culturally appropriate evidence-based practice and NPO governance systems such as boards.

Ongoing Research and Practice Implications

Ongoing discussion with the application of organizational theories to better understand challenges with nonprofit board diversity calls for further research and exposes several implications for social work practice and social justice. One area of future research pertains to increasing qualitative studies framed by organizational theories examining NPO board diversity challenges and opportunities. While the current data made available through major quantitative studies has shed light on the lack of diversity and inclusivity on NPO boards, the need for theory-based, qualitative inquiry examining board member experiences is gravely needed. Specifically, qualitative inquiry examining NPO board diversity is needed to study potential relationships between NPO boards and board members that are not explored in quantitative methods. For example, the expansion of qualitative research and use of agency theory, resource dependence theory, and institutional theory may provide new frameworks that expand current concepts and themes associated with NPO board diversity. Possible implications resulting from additional NPO board diversity research based upon organizational theories may include greater agency transparency, improved service user perceptions of an agency, increased board member innovation, and strengthening an agency's ability to serve its population(s) more justly.

A major practice challenge is associated with how NPO board diversity (or a lack thereof) can affect the social service sector and the social work profession as a whole. Specifically, theory-based research within this field may provide the social service sector and the social work profession with an opportunity to explore ways to increase diversity and inclusivity on NPO boards. This would complement the standards adopted by the NASW, which underscore the need for promoting diversity across the social work profession and emphasize the importance of supporting a diverse workforce (NASW, 2019). Such diversity standards should more

explicitly extend to NPO boards, whose members are often responsible for making major decisions on behalf of an agency that directly affect its staff and service users (Brown & Chow, 2010). With the incorporation of organizational theories, research may be able to better explore NPO board diversity from the distinct frameworks provided in agency theory, resource dependence theory, and institutional theory. Utilizing these theoretical orientations within NPO board diversity research may provide the social service sector and the social work profession an opportunity to examine what facets of NPO boards either inhibit or promote diversity.

A main reason for discerning NPO board diversity opportunities and challenges with the application of organizational theories is linked to implications for social justice. As discussed throughout this chapter, social justice challenges exist with NPO board diversity, as well as the research and theoretical orientations that surround it. For social justice to be actualized, the expansion of theory-based research on NPO board diversity with an emphasis on eliminating unjust systems, practices, and policies should be examined. Within each organizational theory discussed in this chapter there are implications for social justice that remain critical for continued research and scholarship in this area.

Summary

Within US society, nonprofits play a crucial role in offering needed services to those with historically marginalized identities. Although NPOs seek to alleviate social injustices, a lack of institutional diversity and neoliberal policies often indirectly support cycles of recurrent oppression. While strides have been made to identify such social justice issues impacting NPOs, continued research is imperative to address the problem more effectively. As described throughout this chapter, boards sit at the helm of nonprofits, and hold critical power in overseeing the functions and governance of these organizations. NPO boards safeguard large-

scale financial decisions, recruit, hire, and retain CEOs, and approve or fund social services, collectively giving them incredible responsibility and power within US society (Bernstein et al., 2015). A core component of NPO boards can be observed through their heavy reliance upon fundraising, which is essential for the sustainability and overall future of such organizations. Although NPO boards have oversight of thousands of organizations and billions of dollars, current research exploring these boards is limited and underscores the critical need for continued study (McKeever, 2018).

An expansive review of the existing literature on NPO boards in this chapter explored their functions and governance systems, which includes board member roles and responsibilities. A key focus of this literature review was to underscore the unique challenges and opportunities associated with addressing NPO board membership diversity. This remains essential as NPO board member diversity across the US continues to be limited with regard to dimensions of diverse identities spanning race, ethnicity, gender, gender identity, sexual orientation, disability, and class, among others. To understand this phenomenon, several factors affecting NPO board diversity, such as demographic trends and a comparison to for-profit boards, have been presented throughout this chapter.

Traditionally, NPOs and their boards are examined through the scope of organizational frameworks. Though limitations exist, these frameworks provide a critical image of how NPO boards operate—and specifically examine the delicate relationship and power they hold with clients coming from HMIs. Organizational frameworks also lay a foundation for the continued exploration of board membership diversity challenges and opportunities. Additional frameworks, such as board member and governance and social justice-oriented theories, have also been presented to help expand the lens necessary to effectively explore NPO boards and diversity

factors. Together, these frameworks highlight the complicated relationship that NPOs share with simultaneously promoting and/or inhibiting board membership diversity. The fact that NPOs serve populations with HMIs underscores a critical social justice issue therefore emphasizing the need for continued study of this topic. Relatedly, an in-depth examination of current and historic challenges and opportunities for nonprofits and their boards underscores an additional need for continued research in this area.

CHAPTER III

METHODS

Introduction

BoardSource, founded in 1988, is a nonprofit that focuses on helping other nonprofit

organizations strengthen their boards of directors through consulting services and a membership

program. The mission of BoardSource is to support other nonprofit organizations with board

policies, practices, leadership, and governance systems. *Leading with Intent* is BoardSource's

recurrent national index on nonprofit organization boards, which was first published in 1994.

Subsequent publications have been produced in 1996, 1999, 2004, 2007, 2010, 2012, 2015, and

2017. I specifically partnered with BoardSource to obtain a dataset named "*Leading With Intent*"

that was collected in 2016 and compiled in 2017. Both BoardSource and I signed a confidentially

agreement which provided exclusive permission for me, along with my dissertation committee

members, to access and view the data. The dataset is based on survey responses from 1,378 chief

executive officers (CEOs) and 381 board chairs (or board designees) representing more than

1,300 organizations. This included 111 foundation leaders from a variety of types of foundations.

Leading with Intent collects and analyzes data on thousands of nonprofit organizations

across the US, and major themes of the survey include leadership practices, demographic and

composition trends, effectiveness, and board operations. *Leading with Intent* is the only survey in

the US that tracks nonprofit boards and the experiences of their CEOs. Each *Leading with Intent*

index that is published by BoardSource includes key highlights from the data. *Leading with*

Intent published in 2017 identified two major findings: (1) nonprofit boards have not increased

diversity composition since the index was first published (1994) and since the most recent publication (2015), and (2) nonprofit boards with board members who understand their respective organizational programs are linked to stronger board engagement, strategy, and leadership—including board fundraising.

Research Question

The overarching research question, which emerged through an extensive literature review on the topic, is: *How do various dimensions of an organization relate to board member diversity?* This question was specifically examined through the following inquiry: What is the relationship between an organization's (a) service area, (b) type, (c) requirement for board members to make personal financial contribution, (d) revenue, (f) the CEO's perception of the organization's commitment to expanding its mission through its board's diversity, and (g) the CEO's racial and gender diversity with the board's current racial and gender diversity?

Recruitment

Respondents of the survey were recruited in two primary ways. The first was a direct invitation from BoardSource to chief executives or board chairs who have opted-in to BoardSource's network of leaders, and the second was an open invitation to participate in the study promoted through partner organizations and other broad outreach channels. The purpose of partnering with BoardSource was twofold. First, BoardSource is the only organization in the US that collects national data on nonprofit board diversity, and second, because the data collected by BoardSource directly complements the research question proposed in this study.

The *Leading with Intent* dataset sent to me was fully redacted and all responses were completely anonymous. The data provided in the survey is kept confidential and used to produce reports, papers, articles, and trainings on emerging trends and critical issues facing nonprofit

leaders. Many board leaders, researchers, and members of the media look to the findings from *Leading with Intent* to help them build the effectiveness of their boards or educate others about the state of nonprofit boards and the value of effective governance. Most notably, *Leading with Intent* provides critical information on demographic trends of board member diversity.

After securing approval to utilize BoardSource's data, I completed an Institutional Review Board (IRB) application through Loyola University Chicago. Human subject protection was mandated through the IRB application process, which required that certain measures be in place to ensure participant confidentiality would be protected throughout the study. Additionally, the IRB required that I minimized harm associated with the research, and such risks were mitigated by ensuring BoardSource obtained informed consent forms from all participants. The informed consent form from the survey required all respondents to acknowledge they were aware of the minimal risks associated with the project, such as their organization being unintentionally identified in the data. The informed consent form also required respondents to acknowledge they agreed to voluntarily participate in the research, and they knew they could discontinue participating at any point. After all requirements of the IRB were met, I applied and subsequently received approval from Loyola University Chicago to proceed with the study.

Sampling

BoardSource utilized two main sampling strategies in *Leading with Intent* that included convenience and snowball sampling. The survey was sent on May 10, 2016, to a convenience sample of 22,708 nonprofit employees and board chairs who are members of BoardSource's professional network. Through snowball sampling, BoardSource contacted individuals who opted-in to BoardSource's network of leaders. These individuals were each contacted by BoardSource and asked to provide their name and email (if they were a nonprofit CEO) or the

name and email of their respective organization's CEO or board chair (if they did not hold that

position). When BoardSource received the name and email of a nonprofit CEO or board chair by

a member of their network of leaders, the selected individual was given a unique URL to

participate in the survey. Participation in the survey was completely voluntary, and recipients

could opt in or out of participation when they received the email from BoardSource. In addition

to this, a convenience sample was collected via an open invitation to participate in the study that

was promoted by BoardSource's partner organizations. Additionally, BoardSource sent this open

invitation through other broad outreach channels such as social media, an e-newsletter, daily

news brief, etc. BoardSource provided an open URL for the survey so it could be broadly and

easily shared by and with nonprofit CEOs. BoardSource did not track how many times the URL

was forwarded to additional recipients.

Inclusion Criteria

Participation in the *Leading with Intent* survey was limited to nonprofit CEOs and board

chairs in the US. For the survey, nonprofits were required to be registered as 501(c)(3)

organizations. There were no limits on which nonprofit CEOs or board chairs could participate in

the survey with regard to age, gender, sexual orientation, race/ethnicity, or length of time in CEO

position. Respondents understood they were not required to take the survey and they could

discontinue participation at any time. Risks associated with the data were minimal, as names

were fully redacted, and all respondents kept anonymous. All questions on the survey were

quantitative and the data included no written responses from respondents. Information was

reported in aggregate form only, and did not include individual names, organization names, or

contact information.

BoardSource offered several incentives to those who completed the survey: the choice of one of two BoardSource publications in PDF format; a copy of the survey results on the day the report were released nationally in January 2017; previews of selected results prior to the release; having their name entered in a drawing for a free registration to the 2017 BoardSource Leadership Forum in Seattle, Washington, with free lodging for two nights at the Sheraton Seattle Hotel included; and a $100 Amazon gift card was randomly given away to 10 respondents.

Participant Demographics

Respondents in the dataset represented a broad cross-section of the nonprofit sector— including public charities, foundations, and other types of nonprofits—as well as organizations with different budget sizes, geographic service regions, and mission areas.

Responses were separated between CEOs and board chairs. As CEOs are the sample of interest for this research, their demographics were explored. In the survey, three items were used to measure CEO compositional diversity, which included questions on gender, racial, and age diversity. Categories from these three items may be found in Table 1 below. Of the respondents, a majority identified as female (n=991, 71%) compared to male (n=387, 28%) and no respondents identified as "other". A majority of participants listed their ages as being 31-60 years (n=967, 71%), followed by 61+ (n=383, 28%) and 30 years old or younger (n=19, 1%). A majority of respondents identified their race/ethnicity as White (n=1,232, 90%), followed by Black/African American (n=56, 4%), Asian (n=20, 2%) and American Indian/Alaskan Native (n=6, .04%). Additionally, 879 respondents represented public charities, 111 represented foundations, and 388 represented all other types of nonprofit organizations (such as churches, theaters, museums – with varying civic and religious affiliations). CEOs belonging to

organizations that with budgets at or below the $5 million range consisted of 49% of all

respondents.

Table 1. CEO Gender and Racial Diversity Categories

Question	Categories
Indicate how many voting members of the board are men and women?	Women (1) Men (2)
How many of the board's voting members are in the following Bureau of the Census race groups?	American Indian or Alaska Native - A person having origins in any of the original peoples of North, South, or Central America (1) Asian (2) Black or African American (3) White (4) Native Hawaiian or Pacific Islander (5) Some other race (6) Self-identify with more than one race (7) Prefer not to answer (8)

Survey Design

The *Leading with Intent* survey included 111 questions about board composition,

structure, practices and performance, with an emphasis on those questions that invited subjective

ratings of board performance and culture. The primary types of questions on the survey were

multiple choice and Likert scale. The survey was fully electronic and included a consent form

that was listed at the top of the survey, which participants were asked to read in its entirety and

assent to before completing the form.

The survey contained several measures to assess internal and external board practices,

internal and external board performance, and most notably for this research, internal and external

board diversity. Across each dimension, internal items included measuring how boards interact

with their respective institution, such as through organizational level polices, practices, and staff

relations. External items included how boards interact with their respective ecosystems, which includes the communities where they are located and the clients they serve. Internal and external board practices were examined using Bernstein & Davidson's (2012) validated scale, which measures the how board practices impact the functions of an organization. The survey explored internal and external diversity via the question *"how important is diversity and inclusivity of your board for increasing your ability to advance on the following issues?"* which included: the current level of board diversity; organization mission and diversity; the relationship between board diversity and attracting and retaining diverse board members; attracting and retaining diverse staff; understanding the changing environment from a broader perspective; planning effectively; developing creative solutions; understanding client populations served by the organization; monitoring and strengthening programs and services; increasing fundraising; and enhancing organizations public image and standing. Respondents were asked to rate the level of importance with a Likert Scale of 1 = *Not important at all* to 4 = *Very important* and 5 = *Don't know/No opinion*.

In the survey, three items were used to measure overall board member compositional diversity, which included questions on gender, racial, and age diversity. Categories from these three items may be found in Table 2 below. The survey included Blau's Heterogeneity Index (1977), which was utilized for its ability to evaluate gender, race, and age diversity variations within a group. Respondents of the survey indicated their demographic data by supplying the number of board members for each category. Gender was identified by the question: "*Indicate how many voting members of the board are men and women*" with responses including *women, men*, and *other*. Race was recorded via the question *"How many of the board's voting members are in the following Bureau of the Census race groups?"* with responses including: *American*

Indian or Alaska Native (A person having origins in any of the original peoples of North, South, or Central America); *Asian*; *Black or African American*; *White*; *Native Hawaiian or Pacific Islander*; *Some other race*; *Self-identify with more than one race*; and *Prefer not to answer*. Ethnicity was captured with the question: *"How many of the board's voting members are of the following Bureau of the Census ethnicities?"*, with responses including: *Hispanic or Latino of any race*; *Not Hispanic or Latino*; and *Prefer not to answer*. The three abovementioned items used to measure board compositional diversity were also asked specifically about the board chairperson. Finally, Age was measured by the question *"How many of the voting members are in the following age groups?"*, with possible responses including: *under 30; 30 to 39 years; 40 to 49 years; 50 to 64 years; and 65 years or older.*

Table 2. Board Member Gender and Racial Diversity Categories

Question	Categories
Indicate how many voting members of the board are men and women?	Women (1) Men (2)
How many of the board's voting members are in the following Bureau of the Census race groups?	American Indian or Alaska Native - A person having origins in any of the original peoples of North, South, or Central America (1) Asian (2) Black or African American (3) White (4) Native Hawaiian or Pacific Islander (5) Some other race (6) Self-identify with more than one race (7) Prefer not to answer (8)

Data

Preparation and Storage

All data from the *Leading with Intent* survey was deidentified and stored in a password protected folder located on my personal computer. I keep the data in an excel document and all

quantitative analyses, including descriptive and inferential statistical tests were conducted and stored on Statistical Package for the Social Sciences (SPSS), a statistical software program, on my personal computer. Upon completion of this research study, the data was removed from my primary home computer.

All data was examined for inconsistencies, such as missing data, outliers, and normality. This process included generating the frequencies of variables as well as calculating their mean and standard deviations in SPSS. The data was also screened for normality, including examining the level of skewedness and kurtosis. This was completed through examining each variable individually and indicating how many missing values were present when running descriptive statistics. I also checked for outliers by examining the percentiles for each variable using box plots. Overall, twenty-eight variables were screened for use in this study, including five newly constructed variables. Out of all variables cleaned and reviewed for use in this research, no significant outliers were present, and skewedness and kurtosis revealed normality. For any missing data, the number of items that were missing was stated and the justification for it is removal was described.

The dataset sent to me included two documents with CEO and board chair responses being separated. Based on my research question and an extensive review of literature on this topic, I decided to use the CEO data and omit the board chair data for my analyses. The justification for this is because current research provides a basis for the importance of including perspectives, experiences, or identities of CEOs within the topic of board diversity. Additionally, my research question is focused on understanding how organizational dimensions (including information about nonprofit CEOs) may relate to nonprofit board diversity. This collective knowledge and focus led me to identify CEOs as the target sample of interest for my research.

Variables

Dependent Variables

Three dependent variables were created for the model. The creation of each new

dependent variables was described along with the justification for its making. Dependent

variables include the board's current demographics as examined through racial diversity (boards

that include non-White members), gender diversity (boards that include women members), and

total board diversity (boards that include non-White and women members). Each dependent

variable is dichotomous and coded as either "0" or "1", with "0" signifying no diversity and "1"

signifying some diversity. Dependent variables are listed in Table 2, along with their labels, type,

and values.

Racial diversity. The first dependent variable that was described is racial diversity. This

dichotomous variable was created from the questions *"How many of the board's voting members*

are in the following Bureau of the Census race groups?" with values *American Indian or Alaska*

Native (A person having origins in any of the original peoples of North, South, or Central

America; n=184); *Asian* (n=1,523); *Black or African American* (n=579); *White* (n=16,442);

Native Hawaiian or Pacific Islander (n=150); *Some other race* (n=71); *Self-identify with more*

than one race (n=50); *Prefer not to answer* (n=569); or *Vacant* (n=965) and *"How many of the*

board's voting members are of the following Bureau of the Census ethnicities?" with values

Hispanic or Latino of any race (n=902); *Not Hispanic or Latino* (n=18,286); *Prefer not to*

answer (n=883); or *Vacant* (n=962). For both questions, respondents were asked to identify the

number of board members in in each category. To create the racial diversity variable, I first

separated White non-Hispanic and Hispanic or Latino by recoding Hispanic or Latino as "0" and

White non-Hispanic as "1". Next, I added Hispanic or Latino as a new racial group within the

racial diversity variable. The racial diversity variable included White (n=16,442), which was coded as "0" and non-White (n=3,459), which was coded as "1" and combined all other racial groups. This new variable was created to examine if the prevalence of any diverse racial identity on a board would significantly relate to the independent variables that were detailed below.

Gender diversity. The second newly created dichotomous variable was gender diversity, which included *men* coded as "0" and *women* coded as "1". This new variable was created through the question *"indicate how many voting members of the board are men and women"* with values *women* (n=9,558), *men* (n=10,435), *other* (n=0), and *missing* (n=0). Respondents were asked to identify the number of board members in each category. *"Other"* and *"missing"* were removed from the gender diversity variable because they were not selected by any respondents. This variable was created to examine if the prevalence of any diverse gender identity on a board would significantly relate to the independent variables that were detailed below.

Total board diversity. The third newly created variable was total board diversity which was dichotomous. Total board diversity included combining total racial diversity and total gender diversity variables into a single new variable. Total board diversity included *White and male board members* (n=8,550), which was coded as "0" and *non-White and female board members* (n=1,625), which was coded as "1". This variable was created to examine if the prevalence of diverse racial and gender identities on a board would significantly relate to the independent variables that were detailed below.

Independent Variables

Seven independent variables were included in the model. Of these, three were created for the model. Each independent variable that was created weas described along with its

justification. Independent variables included five categorical and one ordinal variable.

Independent variables are listed in Table 3, along with their labels, type, and values.

Service area. The first independent variable was service area, which included the

question *"How would you describe the primary service area of your organization?"* with values

including *local* (n=536); *regional (within state)* (n=346); *state-wide* (n=148); *regional (multi-*

state) (n=84); *national* (n=110); *international* (n=90); and *missing* (n=64). Respondents were

allowed to select one option.

Type. The second independent variable is type, which included the question *"Which*

category best describes your organization?" with responses including: *public charity* (n=879);

school/college/university (n=19); *governmental agency* (n=9); *association or professional*

society/trade association (n=122); *foundation* (n=111); or *other* (n=238). Respondents were

allowed to only select one option.

Personal financial contribution. The third independent variable was defined by the

requirement of board members to make personal financial contributions, which included the

question: *"Does your board require its members to make a personal monetary contribution to*

the organization?" and responses of *yes* (n=759); *no* (n=539); or *missing* (n=80). Respondents

were allowed to select one option.

Revenue. The fourth independent variable was defined by the organization's total

revenues in the most recently completed fiscal year, which included the question: *"What were*

your organization's total revenues in your most recently completed fiscal year? Please estimate,

or take the number from your IRS Form 990, line 12, or if you represent a foundation, from your

*IRS Form 990-PF, line 12.*and responses of *less than $1 million* (n=759); *$1 million to $4.9*

million (n=539); *$5 million to $9.9 million* (n=759); *$10 million to $19.9 million* (n=539); *$20*

million to $49.9 million (n=759); *$50 million to $99.9 million* (n=539); or *$100 million or more* (n=80). Respondents were allowed to select one option.

CEO racial diversity. The fifth independent variable was CEO's racial diversity, which was created and included the questions: *"With which Bureau of the Census race groups do you identify?"* and responses of *American Indian or Alaska Native* (A person having origins in any of the original peoples of North, South, or Central America; n=6); *Asian* (n=20); *Black or African American* (n=56); *White* (n=1,232); *Native Hawaiian or Pacific Islander* (n=5); *Some other race* (n=24); *Self-identify with more than one race* (n=12); or *Prefer not to answer* (n=23), and *"How many of the board's voting members are of the following Bureau of the Census ethnicities?"* with possible responses: *Hispanic or Latino of any race* (n=38), *Not Hispanic or Latino* (n=1,277), or *Prefer not to answer* (n=39). For both questions, respondents were asked to identify the numerical value associated with each value. To create this variable, I first separated *White non-Hispanic* and *Hispanic or Latino* by recoding *Hispanic or Latino* as "0" and *White non-Hispanic* as "1". Next, I added *Hispanic or Latino* as a new racial group within the racial diversity variable. The CEO racial diversity variable included *White* (n=1,277), which was coded as "0" and *non-White* (n=184), which was coded as "1" and combined all other racial groups. This new variable was created to examine if the prevalence of any diverse racial identity on a board would be significantly related to the dependent variables that were detailed below.

CEO gender diversity. The sixth independent variable, CEO's gender diversity, was a newly created dichotomous variable, where *men* was coded as "0" and *women* coded as "1". This variable included the question *"What is your gender"* and possible responses of: *women* (n=991); *men* (n=387); *other* (n=0); and *missing* (n=0). This variable was created to examine if

the CEO's gender identity would be significantly related to the dependent variables previously described.

CEO perception of board diversity. The seventh and final independent was CEO's perception of the organization's commitment to expanding its mission through its board's diversity, which was created and included the question: *"How important is expanding diversity in each of the following groups for increasing your organization's ability to advance its mission overall?"* with six clarifiers including: age, gender, race/ethnicity, diverse socioeconomic status, LGBTQ+, and persons with a disability. The CEO was asked to indicate their perception with each of these 6 questions by selection one option through a rating scale of 1-5 that included *not important for mission at all* (1); *only somewhat important for mission* (2); *important for mission* (3); *greatly important for mission* (4); and *don't know/no opinion* (5), which was recoded as *"missing"*. The value of the variable is the mean of the responses to the six clarifiers, which allowed me to observe the CEO's overall mean perception of how important expanding diversity is for increasing their organization's ability to advance its overall mission through its board's diversity.

Table 3. Dependent and Independent Variables

Label	Type	Values
Boards' current demographics (Racial diversity)	Dependent (New construction)	0=Non-White 1=White
Boards' current demographics (Gender diversity)	Dependent (New construction)	0=Women 1=Men
Boards' current demographics (Total board diversity)	Dependent (New construction)	0=Women and non-White 1=Men and White
Service area	Independent	1=Local 2=Regional (within state) 3=State-wide 4=Regional (multi-state) 5=National 6=International
Type	Independent	1=Public charity 2=School/college/university 3=Governmental agency 4=Association or professional society/trade association 5=Foundation 6=Other
Board requirement to make a personal contribution to the organization (Personal financial contribution)	Independent	1=Yes 2=No
Revenue	Independent	1=Less than $1 million 2=$1 million - $4.9 million 3=$5 million - $9.9 million 4=$10 million - $19.9 million 5=$20 million - $49.9 million 6=$50 million - $99.9 million 7=$100 million or more
CEO racial diversity	Independent (New construction)	0=Non-White 1=White
CEO gender diversity	Independent (New construction)	0=Women 1=Men
CEO's perception of organization's commitment to expanding its mission through its board diversity (overall: including age, gender, race/ethnicity, diverse	Independent (New construction)	Mean of Likert-scale answers for questions regarding perception. Likert scale was: 1=Not important for mission at all 2=Only somewhat important for mission

socioeconomic status, LGBTQ+, and persons with a disability)	3=Important for mission
	4=Greatly important for mission
	5=Missing

Statistical Analyses

The data allows for the integration of organizational, board member and governance, and social justice theories (Anastas, 2000; Vogt, 2014). A combination of descriptive and comparative inferential statistical analysis was utilized to describe key elements between the research question and the findings (Östlund et al., 2011). The main research question is: *"How do various dimensions of an organization relate to board member diversity?"* To explore this question, the relationship between an organization's (a) service area, (b) type, (c) requirement for board members to make personal financial contribution, (d) revenue, (f) the CEO's perception of the organization's commitment to expanding its mission through its board's diversity, and (g) the CEO's racial and gender diversity with the board's current racial and gender diversity? Inferential statistics will include logistic regression, which was used to examine relationships between the independent and dependent variables.

Organizational Dimensions

Models were designed to conceptualize the various tests that were run between the independent and dependent variables. The conceptual models were formed into a singular graphic that represents the three different models that are being tested. See Figure 1 below. For each of the three models, the independent variables, which are represented by organizational characteristics, will remain consistent, and the dependent variables, which are represented through the board's current racial diversity, the board's current gender diversity, and the board's total diversity, were tested independently of one other.

Figure 1. Conceptual Models

Organizational Dimensions	
Service Area Type Requirement for board members to make personal financial contribution Revenue CEO's perception of organization's commitment to expanding its mission through its board's diversity CEO racial diversity CEO gender diversity	**Board's current racial diversity** → White Non-White
	Board's current gender diversity → Women Men
	Board's current diversity → No diversity Any diversity

Descriptive Statistics

Descriptive statistics allowed for the examination of each variable that was used in this study to make sure that it did not have an abnormalities or extensive missing data. For each dependent variable, a bivariate analysis was conducted to determine if these variables hold any relationships with the other variables. The bivariate analysis I used included creating scatter plots, which allowed me to visually see if my variables followed any patterns.

I also ran frequencies to assess the means and standard deviations of each variable, which were captured and are explored below in Table 4. Additionally, I reviewed the unique percentages associated with four independent variables: service area, type, if board members have a requirement to make a personal financial contribution, and revenue, which are

sequentially captured in Table 5. All descriptive statistics and scatter plots conducted in this

study were created using SPSS version Build 1.0. 0.1275.

Table 4. Means and Standard Deviations of Dependent and Independent Variables

	Organization Factors	Mean	Standard Deviation
Dependent Variables	Boards' current demographics (Racial diversity)	.17	.379
	Boards' current demographics (Gender diversity)	.48	.499
	Boards' current demographics (Total board diversity)	.16	.366
Independent Variables	Board requirement to make a personal contribution to the organization (Personal financial contribution)	.59	.493
	CEO racial diversity	.11	.308
	CEO gender diversity	.72	.450
	CEO's perception of organization's commitment to expanding its mission through its board diversity (overall: including age, gender, race/ethnicity, diverse socioeconomic status, LGBTQ+, and persons with a disability)	2.55	.679

Table 5. Percentages of Service Area, Type, and Requirement for Board Members to Donate

Organization Factors *(Independent Variables)*	Percentage of total
Service Area	
Local	38.9
Regional (within state)	25.1
State-wide	10.7
Regional (multistate)	6.1
National	8.0
International	6.5
Missing	4.6
Type	
Public Charity	38.9
School/College/University	25.1
Government Agency	10.7
Association	6.1
Foundation	8.0
Other	6.5
Missing	4.6
Personal Contribution of Board Members	
Yes	55.1
No	39.1
Missing	5.8
Revenue	
Less than $1 million	42.1
$1 million - $4.9 million	39.2
$5 million - $9.9 million	8.1
$10 million - $19.9 million	6.0
$20 million - $49.9 million	2.4
$50 million - $99.9 million	.9
$100 million or more	1.2
Missing	4.9

Inferential Statistics

Inferential statistics were utilized to explore the research question. I utilized a logistic

regression because the three dependent variables are dichotomous. Before running this

regression, I first conducted bivariate analysis. The bivariate analysis I used is chi-square and an

analysis of variance (ANOVA) because they allowed me to compare the means of each

dependent variable with all other variables to determine if any significant relationships existed. Additionally, before running the regression, main assumptions of binomial logistic regression were tested when I began analyzing the data. The first assumption was that each dependent variable was measured on a dichotomous scale that included two groups. Each of the three dependent variables that were created in this study met this assumption since they each are dichotomous.

The second assumption is that one or more independent variables exist, and that these variables can be continuous (ratio or interval) or categorical (ordinal or nominal). As described, the independent variables in this study include service area (categorical), type (categorical), personal contribution of board member (categorical), revenue (categorical), and the CEO's perception of organization's commitment to expanding its mission through its board diversity (ordinal).

The third assumption is that there should be independence of observations, whereas each respondent in the survey was only counted once. This assumption was not violated because each respondent only had the opportunity to respond once to each question on the survey.

The fourth assumption is that there should not be multicollinearity with the independent variables. This assumption was not violated by measuring the variance inflation factor (VIF) on the independent variables in SPSS, which did not reveal any values higher than 5.

The fifth assumption of binomial linear regression is that a linear relationship exists between continuous independent variables and the logit transformation of the dependent variable. This assumption was not violated because none of the independent variables were continuous in nature.

Sixth, logistic regression assumes linearity of independent variables and log odds. Although this analysis does not require the dependent and independent variables to be related linearly, it requires that the independent variables be linearly related to the log odds. This assumption was not violated by running bivariate analyses including chi-squares and ANOVAs, which showed linearity of independent variables and log odds.

Finally, logistic regression assumes a large sample size to allow for a minimum of ten cases for the outcomes of each independent variable. This assumption was not violated as the sample size was 1,378 and each independent variable had at least ten cases per outcome. Once all assumptions associated with binomial logistic regression were tested, and I further determined each assumption was appropriately met, I was able to conduct further analysis.

To run a logistic regression, I also needed to identify the referent item to compare all other items within the independent variables of service area, organization type, personal contribution, revenue, CEO racial diversity and CEO gender diversity. For service area, local was selected as the referent item as it the majority of NPOs in the US are characterized as being local and it was also the most popular choice among respondents. For organization type, public charity was selected as the referent item as most NPOs in the US are categorized as being public charities and it was also the most popular choice among respondents. For personal contribution, yes was selected as the referent item because most NPOs in the US require personal contributions and it was also the most popular choice among respondents. For revenue, less than $1 million was selected as the referent item since most US NPOs identify as having annual revenue less than $1 million and it was also the most popular choice among respondents. For CEO racial diversity, white was selected as the referent item as most respondents indicated their CEOs were primarily white, which is consistent with literature on this topic. Finally, for CEO

gender diversity, man was selected as the referent item as most respondents indicated their CEOs

were primarily men, which is consistent with literature on this topic (BoardSource, 2017).

CHAPTER IV

FINDINGS

Introduction

The findings of this study were described in three distinct sections to align with the three

dependent variables—board racial diversity, which represented boards that either had no non-

White members or one or more non-White members, board gender diversity, which represented

boards that either had no women members or one or more women members, and board total

diversity, which represented boards that either had no non-White and women members or boards

that included one or more non-White or women members. Within each section below, I reported

the results of the chi-squares, ANOVAs, and logistic regressions tests including relevant

statistical results. In each section, I also provided the results of the individual relationship that

each independent variable had with the three dependent variables. In doing this, I identified

relationships between the independent and dependent variables that held statistical significance

as well as relationships that did not hold any level of significance. All results within these

sections were presented in Tables 6-14 below.

Board Racial Diversity

ANOVA

The findings of the one-way ANOVA including board racial diversity and CEO's

perception of board diversity and are included in Table 6. The first was board racial diversity,

which included White that was coded as "0" and non-White that was coded as "1" and combined

all non-White racial groups. The second was CEO's perception of board diversity, which was an

ordinal variable. The mean score for White ($M = 2.44$) was lower than that of non-White ($M = 2.60$). The ANOVA revealed there was a significant relationship between CEO perception of board diversity and board racial diversity $F(1, 1129) = [6.555]$, $p < 0.001$.

Table 6. One-way ANOVA of Board Racial Diversity

CEO Perception of Board Diversity

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.555	1	6.555	14.380	<.001***
Within Groups	514.652	1129	.456		
Total	521.207	1130			

*$p < .05$, ** $p < .01$, *** $p < .001$.

Chi-Square

The chi-square tests (Table 7) were run between board racial diversity and the independent categorical variables that included organization type, services area, personal contribution, revenue, CEO racial diversity and CEO gender diversity. The chi-square tests of independence showed significant association between board racial diversity and organization type X^2 (5, N = 1378) = 15.319, $p = .009$, φ = .11. Within organization type, 45.28% of public charities (n=624) had board racial diversity, which was the highest among that group. There was also a significant association between board racial diversity and personal contribution (X^2 (1, N = 1298) = 14.512, $p < .001$, φ = -.11, and of the 549 organizations that required a personal contribution, 42.29% of them had board racial diversity. There was also a significant association between board racial diversity and revenue (X^2 (6, N = 1310) = 24.047, $p < .001$, φ = -.14. Organizations with a revenue of $1 million to $4.9 million (n=364) had the highest percentage (27.78%) of board racial diversity. Additionally, there was a significant association between board racial diversity and CEO racial diversity X^2 (1, N = 1378) = 14.984, $p < .001$, φ = -.01. The

findings showed that 59.36% of the organizations that had a white CEO (n=818) had board racial diversity. Finally, there was also a significant association between board racial diversity and CEO gender diversity X^2 (1, N = 1378) = 15.319, $p < .001$, $\varphi = .03$.

The chi-square tests of independence showed no significant associations between board racial diversity and service area X^2 (5, N = 1314) = 7.227, $p = .204$, $\varphi = .07$.

Table 7. Frequencies and Chi-Square Results for Board Racial Diversity and Service Area, Organization Type, Personal Contribution, Revenue, CEO Racial Diversity and CEO Gender Diversity

Source		Without racial diversity		With racial diversity		$X^2(1)$
		n	%	n	%	
Service Area	Local	163	12.40	373	28.38	7.227
	Regional (within state)	102	7.76	244	18.56	
	State-wide	46	3.50	102	7.76	
	Regional (multistate)	33	2.51	51	3.88	
	National	44	3.34	66	5.02	
	International	31	2.35	59	4.49	
Organization Type	Public Charity	255	18.50	624	45.28	15.319**
	School/College/University	4	.02	15	1.08	
	Government Agency	4	.02	5	.03	
	Association	46	3.33	76	5.51	
	Foundation	49	3.55	62	4.49	
	Other	82	5.95	156	11.32	
Personal Contribution	Yes	210	16.17	549	42.29	14.512***
	No	203	15.63	336	25.88	
Revenue	Less than $1 million	205	15.64	347	26.48	24.047***
	$1 million - $4.9 million	150	11.45	364	27.78	
	$5 million - $9.9 million	19	1.45	87	6.64	
	$10 million - $19.9 million	31	2.36	47	3.58	
	$20 million - $49.9 million	9	.06	23	1.75	
	$50 million - $99.9 million	1	.01	11	.08	
	$100 million or more	4		12		
CEO Racial Diversity	Non-White	26	1.88	120	8.70	14.984***
	White	414	30.04	818	59.36	
CEO Gender Diversity	Women	133	9.65	254	18.43	15.319***
	Men	307	22.27	684	49.63	

*$p < .05$, ** $p < .01$, *** $p < .001$.

Logistic Regression

Additionally, the findings of the logistical regression are presented in Table 8. These

findings indicated variable relationships and corresponding odds ratios, which I included to show

the measure of the association between independent and dependent variables. Before performing the regression, I ran a bivariate correlation between board gender diversity and its predicted probability. Running a bivariate correlation allowed me to measure the strength of association between board gender diversity and its predicted probability (Swank & Mullen, 2017). The bivariate correlation test showed a correlation of .247 and represented .061009 variance between the variables and demonstrated the model fit for the logistic regression was sufficient. As described in the research, the referent category for service area was 'local'; for organization type it was 'public charity'; for personal contribution it was 'yes'; and for revenue it was 'less than $1 million' (BoardSource, 2017).

Positive Relationships

In the regression model, there was a positive relationship between board racial diversity and organizations that have a revenue of $1 million - $4.9 million ($p < .05$). Organizations with a revenue of $1 million - $4.9 million had an odds of having greater board racial diversity at 1.420 times that of organizations with a revenue of less than $1 million, which was the referent category.

There was a positive relationship between board racial diversity and organizations that have a revenue of $5 million - $9.9 million ($p < .001$). Organizations with a revenue of $5 million - $9.9 million had an odds of having greater board racial diversity at 3.682 times that of organizations with a revenue of less than $1 million, which was the referent category.

There was a positive relationship between board racial diversity and CEO gender diversity ($p < .001$). Organizations with a woman CEO had an odds of having greater board racial diversity at 6.575 times that of organizations without a woman CEO.

Finally, In the regression model there was also a positive relationship between board racial diversity and CEO's perception of the organization's commitment to expanding its mission through its board's diversity ($p < .01$). Organizations with CEOs who had higher mean scores for indicating an organization's commitment to expanding its mission through its board's diversity had an odds of having greater board racial diversity at 1.329 times that of organizations with CEOs who had lower mean scores.

Negative Relationships

In the regression model, there was a negative relationship between board racial diversity and organizations that are foundations ($p < .05$). Organizations that are foundations had an odds of having less board racial diversity at .522 times that of organizations that are public charities, which was the referent category. This means foundations are 48% less likely to have board racial diversity than public charities.

There was a negative relationship between board racial diversity and organizations that require personal contributions of board members ($p < .05$). Organizations that require personal contributions had an odds of having less board racial diversity at .690 times that of organizations that did not require a personal contribution. This means organizations that require personal contributions are 31% less likely to have board racial diversity than organizations that did not require a personal contribution from board members.

Finally, In the regression model, there was also a negative relationship between board racial diversity and organizations that have CEO racial diversity ($p < .01$). Organizations that have CEO racial diversity had an odds of having less board racial diversity at .480 times that of organizations that did not have CEO racial diversity. This means organizations with non-White CEOs are 52% less likely to have board racial diversity than organizations with White CEOs.

Table 8. Results of Logistic Binary Regression with Board Racial Diversity

	B	S.E.	df	Sig.	Exp(B)
Service Area					
Regional (within state)	.084	.174	1	.632	1.087
State-wide	.048	.232	1	.835	1.050
Regional (multistate)	-.496	.286	1	.083	.609
National	-.448	.269	1	.096	.639
International	-.100	.293	1	.732	.905
Organization Type					
School/College/University	.240	.597	1	.688	1.271
Government Agency	-.967	.951	1	.310	.380
Association	.002	.271	1	.994	1.002
Foundation	-.651	.265	1	.014*	.522
Other	-.257	.187	1	.169	.773
Personal Contribution	-.371	.147	1	.012*	.690
Revenue					
$1 million - $4.9 million	.351	.151	1	.020*	1.420
$5 million - $9.9 million	1.303	.320	1	<.001***	3.682
$10 million - $19.9 million	-.009	.297	1	.975	.991
$20 million - $49.9 million	.466	.464	1	.315	1.594
$50 million - $99.9 million	20.753	11873.049	1	.999	1030420 862.151
$100 million or more	.938	.687	1	.172	2.555
CEO Racial Diversity	-.734	.274	1	.007**	.480
CEO Gender Diversity	.130	.153	1	<.001***	6.575
CEO Perception of Board Diversity	.284	.104	1	.006**	1.329
Constant	2.548	.916	1	.005	12.788

*$p < .05$, ** $p < .01$, *** $p < .001$.
Notes. This table represents the relationships between Board Racial Diversity and the independent variables. The referent category for service area was 'local'; for organization type it was 'public charity'; for personal contribution it was 'yes'; and for revenue it was 'less than $1 million'.

Board Gender Diversity

ANOVA

The findings of the one-way ANOVA including board gender diversity and CEO's perception of board diversity are included in Table 9. The ANOVA included two variables. The first variable was board gender diversity, which included Men that was coded as "0" and Women that was coded as "1". The second was CEO's perception of board diversity, which was an ordinal variable. The mean score for Men ($M = 2.31$) was lower than that of Women ($M = 2.55$). The ANOVA revealed there was not a significant relationship between CEO perception of board diversity and board gender diversity $F(1, 1129) = [1.536]$, $p = .216$.

Table 9. One-way ANOVA of Board Gender Diversity

CEO Perception of Board Diversity

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.708	1	.708	1.536	.216
Within Groups	520.499	1129	.461		
Total	521.207	1130			

*$p < .05$, ** $p < .01$, *** $p < .001$.

Chi-Square

I also presented the results of the chi-square tests in Table 10. The chi-square tests were run between board gender diversity and the independent categorical variables that included organization type, services area, personal contribution, revenue, CEO racial diversity and CEO gender diversity. The chi-square tests of independence showed significant associations between board gender diversity and CEO gender diversity X^2 (1, N = 1378) = 19.953, $p < .001$, φ = .12. The findings showed that 99.06% of the organizations that had a female CEO (n=374) had board gender diversity.

Chi-square test of independence showed no significant associations between board gender diversity and organization type X^2 (5, N = 1378) = 8.703, p = .112, φ = .08; service area X^2 (1, N = 1314) = 10.638; p = .059, φ = .09; personal contribution X^2 (1, N = 1298) = 4.945, p = .026, φ = -.06; revenue X^2 (6, N = 1294) = 6.152, p = .406, φ = .07; and CEO racial diversity X^2 (1, N = 1378) = 3.040, p = .081, φ = .47.

Table 10. Frequencies and Chi-Square Results for Board Gender Diversity and Service Area, Organization Type, Personal Contribution, Revenue, CEO Racial Diversity and CEO Gender Diversity

Source		Without gender diversity		With gender diversity		$X^2(1)$
		n	%	n	%	
Service Area	Local	1	.07	535	40.83	
	Regional (within state)	5	.38	341	24.74	
	State-wide	4	.31	144	10.44	
	Regional (multistate)	2	.15	82	5.95	10.638
	National	3	.23	107	7.76	
	International	1	.01	89	6.46	
Organization Type	Public Charity	7	.53	872	63.28	
	School/College/University	1	.07	18	1.30	8.703
	Government Agency	-	-	9	.65	
	Association	4	.30	118	8.56	
	Foundation	1	.07	110	7.98	
	Other	4	.31	234	16.98	
Personal Contribution	Yes	5	.38	754	54.71	4.945
	No	11	.83	528	38.31	
Revenue	Less than $1 million	8	.61	544	39.47	
	$1 million - $4.9 million	3	.23	511	37.08	
	$5 million - $9.9 million	3	.23	103	7.47	
	$10 million - $19.9 million	2	.15	76	5.51	
	$20 million - $49.9 million	-	-	32	2.32	6.152
	$50 million - $99.9 million	-	-	12	.87	
	$100 million or more	-	-	16	1.16	
CEO Racial Diversity	Non-White	4	.31	142	10.30	3.040
	White	1219	88.46	1232	89.40	
CEO Gender Diversity	Women	13	.94	374	99.06	19.953***
	Men	17	1.23	1361	98.77	

*$p < .05$, ** $p < .01$, *** $p < .001$.

Logistic Regression

Additionally, I presented the findings of the logistical regression in Table 11. These

findings indicated variable relationships and corresponding odds ratios, which are the measure of

the association between exposure and outcome. Before performing the regression, I ran a bivariate correlation between board gender diversity and its predicted probability. Running a bivariate correlation allowed me to measure the strength of association between board gender diversity and its predicted probability (Swank & Mullen, 2017). The bivariate correlation test showed a correlation of .211 and represented .044511 variance between the variables and demonstrated the model fit for the logistic regression was sufficient. As described in the research, the referent category for service area was 'local'; for organization type it was 'public charity'; for personal contribution it was 'yes'; and for revenue it was 'less than $1 million' (BoardSource, 2017).

Positive Relationships

In the regression model, there was a positive relationship between board gender diversity and organizations that have women CEOs ($p < .01$). Organizations with CEOs who are women had an odds of having greater board racial diversity at 8.775 times that of organizations without CEOs who are women.

Table 11. Results of Logistic Binary Regression with Board Gender Diversity

	B	S.E.	df	Sig.	Exp(B)
Service Area					
Regional (within state)	-1.389	1.185	1	.241	.249
State-wide	-2.116	1.203	1	.079	.121
Regional (multistate)	-1.441	1.476	1	.329	.237
National	-1.383	1.334	1	.300	.251
International	-1.037	1.483	1	.485	.355
Organization Type					
School/College/University	-2.551	1.354	1	.060	.078
Government Agency	15.790	16880.363	1	.999	7199841.105
Association	-.834	.879	1	.343	.434
Foundation	-.311	1.187	1	.794	.733
Other	.371	1.117	1	.740	1.449
Personal Contribution	-.436	.713	1	.542	.647
$1 million - $4.9 million	.706	.754	1	.349	2.026
$5 million - $9.9 million	-.220	.943	1	.815	.802
$10 million - $19.9 million	.290	1.254	1	.817	1.336
$20 million - $49.9 million	16.886	7356.055	1	.998	21554441.532
$50 million - $99.9 million	16.797	11513.880	1	.999	19725137.567
$100 million or more	17.409	9638.063	1	.999	36360092.604
CEO Racial Diversity	1.347	.759	1	.076	3.846
CEO Gender Diversity	2.172	.702	1	.002**	8.775
CEO Perception of Board Diversity	.301	.448	1	.501	1.352
Constant	-.177	2.659	1	.947	.838

$*p < .05$, $** p < .01$, $*** p < .001$.
Notes. This table represents the relationships between Board Gender Diversity and the independent variables. The referent category for service area was 'local'; for organization type it was 'public charity'; for personal contribution it was 'yes'; and for revenue it was 'less than $1 million'.

Board Total Diversity

ANOVA

The findings of the one-way ANOVA including board total diversity and CEO's perception of board diversity are included in Table 12. The ANOVA included two variables. The first variable was board total diversity, which included Men and White (no racial or gender diversity) that was coded as "0" and Women and non-White (included racial or gender diversity) that was coded as "1". The second was CEO's perception of board diversity, which was an ordinal variable. The mean score for Men and White ($M = 2.33$) was lower than that of Women and non-White ($M = 2.55$). The ANOVA revealed there was not a significant relationship between CEO perception of board diversity and board total diversity $F(1, 1129) = [.698]$, $p = .404$.

Table 12. One-way ANOVA of Board Total Diversity

CEO Perception of Board Diversity

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.322	1	.322	.698	.404
Within Groups	520.885	1129	.461		
Total	521.207	1130			

*$p < .05$, ** $p < .01$, *** $p < .001$.

Chi-Square

In Table 13, I also reported on the chi-square tests I ran between board total diversity and the independent categorical variables that included organization type, services area, personal contribution, revenue, CEO racial diversity and CEO gender diversity. The chi-square tests of independence showed significant associations between board total diversity and CEO gender

diversity X^2 (1, N = 1378) = 13.442, p < .001, φ = .10. The findings showed that 99.42% of the organizations that had a female CEO (n=374) had board total diversity.

The chi-square tests of independence showed no significant associations between board total diversity and organization type X^2 (5, N = 1378) = 6.277, p = .280, φ = .07; service area X^2 (5, N = 1314) = 19.331, p = .121, φ = .21; personal contribution (X^2 (1, N = 1298) = 14.512, p = .858, φ = -.11; revenue (X^2 (6, N = 1310) = 5.270 p = .510, φ = -.14; and CEO racial diversity X^2 (1, N = 1378) = .941, p = .332, φ = .03.

Table 13. Frequencies and Chi-Square Results for Board Total Diversity and Service Area, Organization Type, Personal Contribution, Revenue, CEO Racial Diversity and CEO Gender Diversity

Source		Without total diversity		With total diversity		$X^2(1)$
		n	%	n	%	
Service Area	Local	-	-	536	38.89	
	Regional (within state)	1	.07	345	25.03	
	State-wide	3	.21	145	10.52	
	Regional (multistate)	2	.14	82	5.95	19.331
	National	3	.21	107	7.76	
	International	-	-	90	6.53	
Organization Type	Public Charity	4	.29	875	63.49	
	School/College/University	-	-	19	1.37	6.277
	Government Agency	-	-	9	.65	
	Association	3	.21	119	8.63	
	Foundation	1	.07	110	7.98	
	Other	2	.14	236	17.12	
Personal Contribution	Yes	5	.36	754	54.47	14.512
	No	4	.29	535	38.82	
Revenue	Less than $1 million	5	.36	547	39.69	
	$1 million - $4.9 million	1	.07	513	37.22	
	$5 million - $9.9 million	2	.14	104	7.54	
	$10 million - $19.9 million	1	.07	77	5.58	
	$20 million - $49.9 million	-	-	32	2.32	.858
	$50 million - $99.9 million	-	-	12	.87	
	$100 million or more	-	-	16	1.16	
CEO Racial Diversity	Non-White	2	.14	144	10.45	.941
	White	8	.58	1224	88.82	
CEO Gender Diversity	Women	8	.58	379	99.42	13.442***
	Men	10	.72	1368	99.27	

*$p < .05$, ** $p < .01$, *** $p < .001$.

Logistic Regression

Additionally, I presented the findings of the logistical regression in Table 14. Before performing the regression, I ran a bivariate correlation between board total diversity and its

predicted probability. Running a bivariate correlation allowed me to measure the strength of association between board gender diversity and its predicted probability (Swank & Mullen, 2017). The bivariate correlation test showed a correlation of .209 and represented .043681 variance between the variables and demonstrated the model fit for the logistic regression was sufficient. As described in the research, the referent category for service area was 'local'; for organization type it was 'public charity'; for personal contribution it was 'yes'; and for revenue it was 'less than $1 million' (BoardSource, 2017).

Positive Relationships

In the regression model, there was a positive relationship between board total diversity and organizations that have women CEOs ($p < .05$). Organizations with CEOs who are women had an odds of having greater board total diversity at 8.497 times that of organizations without CEOs who are women.

Table 14. Results of Logistic Binary Regression with Board Total Diversity

	B	S.E.	df	Sig.	Exp(B)
Service Area					
Regional (within state)	-15.374	1775.150	1	.993	.000
State-wide	-16.614	1775.150	1	.993	.000
Regional (multistate)	-16.321	1775.150	1	.993	.000
National	-16.654	1775.150	1	.993	.000
International	.254	4662.218	1	1.000	1.289
Organization Type					
School/College/University	16.697	7442.305	1	.998	178488
Government Agency	14.526	16869.427	1	.999	2035006.604
Association	-1.474	1.120	1	.188	.229
Foundation	-1.123	1.439	1	.435	.325
Other	15.112	2520.345	1	.995	3657603.507
Personal Contribution	1.262	1.040	1	.225	3.531
Revenue					
$1 million - $4.9 million	1.249	1.189	1	.293	3.488
$5 million - $9.9 million	-.059	1.285	1	.964	.943
$10 million - $19.9 million	-.631	1.339	1	.638	.532
$20 million - $49.9 million	16.161	6659.910	1	.998	10435320.647
$50 million - $99.9 million	16.461	10598.361	1	.999	14093505.448
$100 million or more	15.058	8838.894	1	.999	3463402.486
CEO Racial Diversity	.760	.885	1	.390	1.159
CEO Gender Diversity	2.140	.925	1	.011*	8.497
CEO Perception of Board Diversity	-.105	.840	1	.870	.901
Constant	11.635	15.914	1	.994	11.713

*p < .05, ** p < .01, *** p < .001.

Notes. This table represents the relationships between Board Total Diversity and the independent variables. The referent category for service area was 'local'; for organization type it was 'public charity'; for personal contribution it was 'yes'; and for revenue it was 'less than $1 million'.

CHAPTER V

Discussion

Introduction

Data analysis revealed key findings associated with several organizational characteristics and factors related to nonprofit board diversity. The findings complement the literature and associated theories on this topic and provide new insight for nonprofits to consider when increasing diversity and representation on their respective boards. This chapter is laid out to first examine key findings from the study, including an interpretation of the analyses of the ANOVAs, chi-squares, and logistic regressions conducted on the dependent variables: board racial diversity, board gender diversity, and board total diversity. The following sections below describe the main interpretations as well as the directions and meanings of the relationships of the variables. Since the analysis included cross-sectional data that was collected at a fixed point in time, I detailed how the interpretations of the findings are presented with bidirectional rationale as I was not able to determine the direction of the relationships. Following the synopsis of key findings, limitations to the study and vital implications for future research as well as social work practice and education will also be discussed in this chapter.

Implications will be explored within the context of organizational, board member and governance, and social justice theories. Major and timely implications for social work practice and social work education are also presented. This chapter concludes with recommendations for the future of nonprofit organizations and their boards, as well as the field of social work—while

identifying the crucial value that further research would offer to better understand and address the social justice implications of NPO board diversity.

Interpretation of Key Findings

A complete review of the key findings demonstrates significant insight for nonprofits and several notable implications for board diversity. The interpretation of the findings revealed several major takeaways. Each of these takeaways will be discussed in depth in the subsequent sections, however, an overview of the key findings will be presented first. The main findings of the analysis revealed that CEO's who scored higher on their perception of how board diversity is connected to their respective organization's mission were in organizations with significantly greater relationships with board racial diversity. Additionally, organizations with revenues between $1 million and $9.9 million had significant positive relationships with board racial diversity. However, foundations, boards that require a personal contribution from board members, and NPOs with non-White CEOs all had significantly negative relationships with board racial diversity. Lastly, organizations with women CEOs had significantly positive relationships with board racial, gender, and total diversity. Interpretations of the study's key findings including theoretical implications are further discussed below.

Board Racial Diversity

The first section of the findings explored relationships that existed between board racial diversity and certain independent variables (organization type, service area, personal contribution, revenue, CEO gender diversity, and CEO racial diversity). These relationships were both positive and negative in nature and observed through the ANOVA, chi-squares, and logistic regressions. The importance of these findings are truly paramount as NPO boards have traditionally been mostly comprised of White individuals (BoardSource, 2017).

Additionally, current research and social justice theories paint a critical picture of the concerning and limited nature of board racial diversity in the US NPO sector that stands in direct contrast to overall US racial demographics. Similarly, the data used in this study also clearly contrasts national racial demographic data and trends. For example, the data shows that the White population on NPO boards in the US is 90%, while the total population of White folks in the US is only 57.8%, which is clearly a stark disparity (US Census Bureau, 2021). This racial gap did not occur over night, but as understood from the lens of social justice theories including Critical Race Theory (CRT), it has been created and perpetuated through both intentional and unintentional racist efforts made by US for-profit corporations, NPOs, board members, and leadership to promote Whiteness and oppress people of color for decades (Feit et al., 2017).

Literature on this topic also points to the complicated reality that a lack of NPO board diversity may have a negative impact upon organizational performance and thus the social service sector as a whole (Harris, 2014). Such discoveries point to the need for further understanding of why many NPO boards are not racially diverse. First, I present the positive relationships discovered by this study and describe why they are important to the topic of racial diversity on NPO boards.

Revenue. This study found two significant positive relationships associated with organizational revenue. The logistic regression analysis showed that organizations with revenues between $1 million and $4.9 million were 42% more likely to have non-White board members than those with revenues under $1 million. This is significant because such organizations are the second most common type of NPOs in the US after those with revenues under $1 million, making them a substantial portion of all NPOs in the country. I will examine this finding using resource dependence theory, which emphasizes the crucial role that boards play in NPO finances

(Callen et al., 2010). Specifically, RDT helps us understand how board racial diversity can benefit NPOs financially by enhancing revenue streams (Herman & Renz, 2008; Pfeffer & Salancik, 2003). Pfeffer & Salancik (2003) found that higher levels of board racial diversity leads to better financial performance by increasing opportunities for funding and grants. Further, a study by McKinsey & Company indicating that nonprofits with greater levels of racial diversity on their boards are 35% more likely to have better financial performance. Consequently, organizations with revenues between $1 million and $4.9 million may be more likely to promote board racial diversity as they continue to experience financial growth and seek to increase revenue streams. As such, it is crucial for organizations with revenues between $1 million and $4.9 million, which make up a large portion of US NPOs, to recognize and embrace the link between board diversity and revenue while setting an example for organizations with all other revenues (Brown, 2002; Harris, 2014).

This study also found a significant positive relationship between board racial diversity and organizations with revenues of $5 million to $9.9 million. Such organizations were a striking 268% more likely to have non-White members than the base category. These findings highlight a central component of the study, which notes that organizations of this size are more likely to have board racial diversity when compared to all other revenue sizes in the dataset. Together, the findings show that organizations with revenues between $1 million and $9.9 million make up 47.3% of all organizations analyzed. This is significant because it suggests that a segment of NPO boards with moderate revenue may be most likely to have board racial diversity.

This finding can be furthered understood through RTD, which provides a lens through which we may better understand why board racial diversity impacts NPO financial performance through promoting a positive public image (Brown, 2007; Herman & Renz, 2008; Murray,

2016). For example, previous research has shown that a nonprofit board that is diverse in terms of race is more likely to be perceived as inclusive and representative of the communities they serve, enhancing the organization's public image and standing (Herman & Renz, 2008; Murray, 2016). Similarly, organizations that place value on diversity may allocate more of their funds towards addressing diversity issues at the leadership level in order to improve their public image (Herman & Renz, 2008; Callen et al., 2010). Given their size and budgets, organizations with revenues between $1 million and $9.9 million may be more likely than those with revenues under $1 million to promote board racial diversity, improve public perception, and generate more revenue.

Per the findings of this study, it is certainly thought-provoking to find that organizations with higher revenues such as those $10 million to $19.9 million, $20 million to $49.9 million, and $50 million to $99.9 million had no association with board racial diversity. I speculate this may be a result of organizations with higher revenues not having the same financial pressure as NPOs with less revenue, and therefore not needing to rely upon board racial diversity to promote their public image (Herman & Renz, 2008). As previously described, a compounding factor is that racially diverse individuals may also be overlooked in larger NPO governance selection processes due to bias and assumptions with regard to their available fiscal resources and means to financially contribute (Feit et al., 2017). This finding demonstrates a need for NPOs with revenues of $10 million to $99.9 million to consider barriers to and the value of board racial diversity.

Organizations With Women CEOs. Organizations with a woman CEO were an astounding 657% more likely to have board racial diversity than organizations without a woman CEO, and I will discuss this vital relationship from both directions. As I begin this discussion, I

will note that throughout the study findings, organizations with women CEOs were associated with increased board gender, racial, and total diversity. Further, board member and governance theories will be further explored to provide insight on how NPO boards may have an ability to promote CEO gender diversity and be more representative of their respective client populations (Austin et al., 2016). I will also apply the frameworks of gender and queer theories to the study findings to examine barriers that women have traditionally experienced in the NPO sector.

Lee (2019) underscores how women have historically been underrepresented in NPO leadership positions including the role of chief executive officer. This is true even as women continue to engage in career advancement programs within organizations (Sandberg, 2015). In addition, women have traditionally navigated gender-based bias, stereotypes, and discrimination in NPOs that inhibit their experiences of workplace inclusion and career progression (Tulshyan & Burey, 2021). The findings show that even though women experience less workplace leadership opportunities and navigate greater workplace obstacles, organizations having a woman CEO were statistically related to greater board racial diversity.

Based on the many burdens that women traditionally navigate in the NPO sector, two important questions for continued consideration include: 1) Do organizations with women CEOs influence an NPO to have more board racial diversity than NPOs without women CEOs; or 2) Are NPOs with more board racial diversity more likely to hire women CEOs? Both questions will be further addressed below.

Addressing the relationship direction of the first question above, I posit from the literature and lenses of gender and queer theories that it may be that organizations with women CEOs promote board diversity because the burden is often placed upon women leaders to be "fixers" within NPOs (Branche & Ford, 2022). Oftentimes, women in leadership positions or

those who step into such positions are asked to clean up organizational issues created by their male predecessors and counterparts (Branche & Ford, 2022). This reality may expose an understudied phenomenon occurring at NPOs - whereas women, who must navigate bias because of limited diversity, are being intentionally or unintentionally asked to fix diversity deficits at the staffing and/or board levels (Branche & Ford, 2022). This burden might be especially prominent for women of color, who have been disproportionately shouldered with the burden of addressing and fixing diversity issues within NPOs and at the same time must deal with the negative consequences of a lack of diversity as can be understood through gender and queer theories (Branche & Ford, 2022). This becomes a social justice issue – as women, particularly women of color, should not be most responsible to solve issues with NPO board diversity that may in fact more negatively impact them than their male counterparts.

The second question will be discussed through the lens of board member and governance theories. Research demonstrates that NPO board members hold immense power and can shape the way NPOs interact with the external environment (e.g., public perception; Callen et al., 2010; Ostrower, 2020). Based on the findings that CEO gender diversity had positive relationships with board racial diversity, General Systems Theory (GST) suggests that NPO board members may have an ability to ensure that CEOs have gender diversity to be representative of their respective client populations and improve public image. This is because GST emphasizes the interconnected relationship that exists between board members and the larger community served by their organization. As seen with board racial, gender, and total diversity and organizations with women CEOs, the findings also underscore that NPO boards must fully understand the importance of diversity and representation.

CEO Perceptions of Mission and Diversity. Organizations with CEOs who had higher scores of indicating an organization's commitment to expanding its mission through addressing board diversity were 33% more likely to have board racial diversity than CEOs who had lower scores. I also note this finding can be understood by applying social environment theory (SET), which as a theoretical orientation aids in reviewing the connection between boards and the communities they serve. Specifically, SET helps illuminate that nonprofit board diversity can enhance organizational effectiveness and improve outcomes for the communities they serve.

This finding is affirmed by existing research that demonstrates there is a critical connection between organizational diversity and mission (Hawkins, 2014). For example, the inclusion of staff and board members with diverse identities has been shown to enhance organizational effectiveness and productivity (Buse et al., 2017; Harris, 2014; Ivey, 2018). Relatedly, a key connection to the relationship between organizational diversity and mission may be seen within organizations that actually understand and acknowledge the benefits associated with diversity and representation (Harris, 2014). Literature suggests organizations that can identify the positive benefits of diversity may ultimately be more likely (in fact) to have higher levels of diversity and representation across the organization, most notably at the board level (Harris, 2014). Furthermore, organizations that have racial diversity represented among staff and board members are more likely to effectively meet the unique needs of racially diverse clients by providing culturally affirming service delivery (Buddington & Esmail, 2017). This is evidenced in existing research demonstrating that organizations with staff and board members of color are typically more attuned to the multiethnic and multicultural experiences of their diverse clients and communities (Buddington & Esmail, 2017). This work confirms prior research on the interconnected relationship between a NPOs' mission and organizational diversity among board

members. It may also suggest links between other diverse populations (e.g., LGBTQ+) being more effectively served by NPOs that have similarly shared forms of diversity among their staff, CEOs, and board members alike. Ultimately as noted in this study, there remains little research on this topic beyond identity categories associated with gender and race.

Further, the findings illustrate two potential questions to consider with organizational mission and board diversity. The first question to explore is: Why did CEOs who identified a relationship between an organization's mission and the importance of diversity have higher levels of board diversity? This inquiry might be best explored through understanding whether CEOs who value a connection between organizational mission and diversity were more in tune with having diverse racial representation on their respective boards. Literature on this topic illustrates that since the first NPOs were formed in the mid-1860's, a focus on mission has been central to their success (Wolpert, 2002). At the core of most NPO's missions is a focus on meeting the social and programmatic needs of populations with historically marginalized identities, including people of color (Aspen Institute, 2016; Wolpert, 2002). Therefore, the natural connection between NPO mission and diversity has always existed, although CEOs who are more attuned to this association today may also be more concerned with having greater board racial diversity.

The second question to explore is: Why were higher levels of board diversity related to CEOs who identified a relationship between an organization's mission and diversity factors? This inquiry might be examined through the lens of boards that are racially diverse and therefore may directly be influencing an organization's connection to mission and understanding of the importance of diversity. Research shows that having racially diverse board membership is associated with NPOs that are more aware of the intersection of and connection to mission and

diversity, including board racial diversity (Harris, 2014). As such, racially diverse boards may be promoting the connection of mission with diversity and therefore more focused on building greater organizational racial (and other forms of) diversity (Hawkins, 2014).

This finding can also be considered in light of social environment theory. As detailed in the literature review, Social Environment Theory (SET) describes how board members are often asked to be advocates for their clients (Bernstein et al., 2015). NPOs in this study with missions that connected to diversity were more likely to have positive relationships with board racial diversity. This finding can be further explored when discussing board member advocacy for diverse client populations, which would hopefully be strengthened within organizations that value diversity. As previously described, NPO boards that interact with clients may be better equipped to advocate by speaking directly to their needs, and the relationship between a board and its client base may be stronger if they reflect one another in terms of diverse identities. Additionally, SET illuminates the importance of having board member diversity to safeguard culturally affirming services are provided to clients (Bernstein et al., 2015). Specifically, NPO boards with gender diversity may ensure that boards understand the unique needs and experiences of their diverse client populations (e.g., through shared experiences with race, gender, and so on; Harris, 2014).

Board Racial Diversity and Foundations. It is also important to examine some of the significant negative relationships found in this study. For example, board racial diversity had a negative relationship with organizations that are foundations, which are 48% less likely than public charities to have board racial diversity. This calls for further exploration and assessment as literature shows that foundations have made substantial strides towards becoming more diverse at the staff and board levels within the past several years (Diversity Insider, 2021).

Additionally, the use of institutional theory may be helpful with understanding how institutional

functions strengthen board racial diversity. This is largely due to the promotion and expansion of

government and nongovernmental diversity, equity, and inclusion requirements (Lee, 2022).

Regardless, the literature clearly notes that foundations have struggled with promoting DEI in a

multitude of ways over the past several decades (Lee, 2022; Taffe & Gilpin, 2021). For example,

in 2021, foundations were two times more likely to award grant applications to White applicants

over applicants who identified as Black, which exposes notable diversity concerns within

foundation grant processes. This is worth noting because foundation boards, which were found to

have a negative relationship with board racial diversity, are responsible for directing how grants

are awarded by foundations (Brown, 2005). This is critical to explore further because research

also suggests that more racially diverse boards are more likely to promote diversity, equity, and

inclusion, which may not be as evident in foundations when compared to other organizations

(Lee, 2022.).

Notably, the findings of this study, in conjunction with available literature on this topic,

provide possible evidence of a double standard existing within foundations—specifically

concerning the fact that many require NPOs submitting grants must also provide diversity

statements, but foundations themselves actually lack inclusive policies and practices that

promote diversity across their missions, staff, boards, and grant application processes.

Additionally, the finding that foundations were correlated with lower board diversity

should be understood through the lens of institutional theory. Specifically, this theory (under the

umbrella of organizational theories) emphasizes how organizational functions, like decision-

making, may inhibit board diversity (Miller-Millesen, 2003; Brown & Guo, 2010). In the context

of foundations, a governance function like decision making related to diversity may inhibit the

expansion of diverse boards (Brown & Guo, 2010). For example, a lack of consideration related

to diversity, equity, and inclusion via decision making at the leadership level can have an adverse

impact upon board diversity as CEOs and other leaders may not prioritize the importance of

diversity when deciding on board policies related to increasing representation (Mason, 2020;

Brimhall, 2019). This is critically relevant to note in relation to foundations, which have widely

documented challenges with DEI and therefore may also struggle when incorporating DEI

factors through decision making processes, especially as it relates to board diversity (Lee, 2022;

Taffe & Gilpin, 2021). As such, foundations may alter the influence that governance functions

have on diversity and inclusivity by underscoring how vital it remains to understand how

inclusive decision making may help support and in fact promote board diversity.

Board Member Financial Contributions. In this study, there was a significant negative

relationship between board racial diversity and organizations that require personal financial

contributions from board members. Boards that required a personal contribution from their

members were 31% less likely to have non-White board members than boards that did not

require such a personal contribution. This finding will be further explained through the lens of

agency theory, which helps to shed some light on board policies. Organizations that required a

personal contribution may result in potential board members self-selecting out of joining such

boards (regardless of racial identity) due to financial limitations or other constraints (James et al.,

2021). Research on financial constraints in the US revealed that non-White Americans are less

likely to have access to financial stability, such as generational wealth, that traditionally benefits

White Americans (Bhutta et al., 2020). Black, Latino, and Asian populations in the US are more

likely to experience generational poverty that prevents them from accessing the same positions

(such as NPO board membership) when compared to their White counterparts (Bhutta et al., 2020).

Additionally, Black, Latino, and Asian Americans are less likely to hold executive roles in the workplace, which may limit their ability to have disposable income to donate when serving on a NPO board (Carter & Peters, 2016; LeRoux & Medina, 2022). NPOs should therefore spend time reviewing and assessing their personal contribution requirements and how this may be negatively impacting their board diversity. Furthermore, NPOs may also consider requiring types of non-monetary contributions in the form of time and talent, which research has demonstrated to be beneficial in increasing gender representation in the boardroom (Stephenson & Nt, 2004).

Another direction supported by this finding is understanding whether boards that require a personal financial contribution may not have as many non-White members due to potential racist and classist stereotyping (e.g., assuming non-White members have fewer financial resources, access, and mobility; Beech et al., 2021; Bhutta et al., 2020). While it is widely researched and known that racially diverse groups across the US experience greater levels of poverty than predominately White groups, it is also a problematic stereotype to assume that all people of color are financially disadvantaged. This discriminatory type of race and class-based stereotyping and bias could result in boards ultimately having less racial diversity. Literature shows that NPOs have struggled with board racial diversity since the early 1980s (Widmer, 1984). This directly coincides with the long-held stereotype that non-White Americans are less financially successful than the White Americans, a stereotype that existed long before the 1980s (Beech et al., 2021; Bhutta et al., 2020). Overall, it is clear there is a complex relationship between NPOs that require personal contributions of board members and racial diversity among board members.

According to agency theory, boards should assume the responsibility to address issues that inhibit their performance—such as a lack of board racial diversity which research shows positively links to organizational effectiveness. As such, boards should utilize their power to create, disseminate, and enforce policies and procedures that ensure board diversity is achieved. The findings from this study emphasize that NPOs may need to examine and revise their policies, such as board member financial contributions, in order to promote greater board racial diversity (Callen et al., 2010).

Organizations With Non-White CEOs. There was also a significant negative relationship between board racial diversity and organizations that had non-White CEOs. Based on my research from previous studies, I propose two main reasons why this may be important to further examine. The first pertains to the idea that non-White CEOs may not actually influence and promote greater board member racial diversity. This finding is backed by literature noting how intra-racial discrimination may occur within NPOs in which people of color do not advocate for others within their own community (Thornhill, 2021). In fact, intra-racial discrimination, which is often fueled by colorism—a bias towards lighter skin tones—is prevalent within organizations across the US (Thornhill, 2021). Considering the findings, intra-racial discrimination may influence the relationship between non-White CEOs and non-White board members in NPOs. While intra-racial support or discrimination cannot solely be the potential reasons for this finding, I believe it provides an opportunity to better understand how intra-racial dynamics may influence board racial diversity such as discovered in my study.

Second, and equally, if not more important, boards with racial diversity may alternatively not share any meaningful relationship with non-White CEOs. For example, non-White CEOs may not have the type of influence or status necessary to encourage their respective non-White

(and White) board members to understand the need for increased racial diversity on the board. Utilizing the lens of critical race theory, we understand the reality that NPOs exist within a historically White-centric society with predominately White board members, which may ultimately impact a non-White CEOs ability to advocate for and promote board racial diversity. Critical race theory, which recognizes that racism is interwoven into the fabric of NPO boards, clearly reminds us that the majority of US institutions were founded by and are currently led by White men.

Similarly, while flawed logically, boards of organizations with CEOs who are non-White may feel such racial representation is adequate to demonstrate that the organization itself is diverse. This phenomena thus decreases CEO and board leadership interest in board representation and limits efforts to increase board racial diversity. While this assumption is problematic on multiple levels as it minimizes the scope of diversity, via the lens of critical race theory, it is very likely how some NPOs may equate diversity with having one person of color in a leadership position. This demonstrates the need for future studies to explore how racial diversity on NPO boards may be hindered due to singular representation of board members of color.

Board Gender Diversity

Organizations with Women CEOs. For board gender diversity, there was a significant positive relationship with organizations that had CEOs who identified as women. This was the only significant relationship between board gender diversity and an independent variables. In this study, organizations with women CEOs were remarkably 778% more likely to have board gender diversity than organizations with male CEOs. This is particularly remarkable considering no

other independent variable was related to board gender diversity, while also offering two potential relationships for further consideration.

The first relationship to explore underscores that board gender diversity may be encouraged in organizations that have women CEOs, a phenomenon supported through the lens of gender and queer theories which emphasizes the critical role of women. Research shows that women are more likely than men to solve organizational diversity issues and this may also be true at the board and leadership level (Branche & Ford, 2022). Additionally, literature reveals that women are more likely than men to support and advocate for one another at the workplace, thus showing the communal power women can amass (Sandberg, 2015; Welsh McNulty, 2018). As such, NPO boards with women members may be strong advocates of women CEOs and hold more power to help select and promote women to leadership levels including CEO (Sandberg, 2015). Furthermore, as expressed under the orientation of gender and queer theories, these communal intragender relationships have been shown to be mutually beneficial, whereas organizations with women CEOs also support gender diversity on boards (Cook & Glass, 2015; Gupta & Raman, 2014).

The second relationship to explore illustrates that organizations with women CEOs may have influence with their board members to encourage greater board gender diversity. This finding is backed by research that shows that organizations with a woman CEO may positively support board diversity with the help of their respective boards (Cook & Glass, 2015; Gupta & Raman, 2014). This is a particularly fascinating relationship to explore because similar to the aforementioned discussion, it shows how women support one another across organizations, from leadership to the board level (Sandberg, 2015; Welsh McNulty, 2018).

Together, both directions emphasize how women who either serve as a CEO or board member at an NPO may have greater power in supporting the advancement of gender diversity. Under the orientation of gender and queer theories, both directions can be viewed with the understanding that women are sometimes the biggest advocates for other women across organizations and boards. Further, the communal power that women hold when they advocate for one another may directly influence greater board diversity and gender representation. This finding clearly underscores the need for continued exploration of the relationship that exists between organizations with women CEOs and board gender diversity. Further, it may be curious to examine whether there is any correlation between CEO or board gender diversity and an impact upon other forms of staff, administration, or board diversity (e.g., pertaining to sexual orientation, gender identity, ability, migrant status, etc.). This will be further examined in the following section on board total diversity.

Board Total Diversity

Organizations with Women CEOs. For board total diversity, there was a significant and positive relationship with organizations that had CEOs identifying as women. Organizations with women CEOs were 849% more likely to have board total diversity than organizations with CEOs who identified as men in this study. This significant finding complements the noteworthy relationships that organizations with women CEOs also had with both racial and gender diversity in this study because it demonstrates that NPOs with women CEOs was associated with increased board gender, racial, and total diversity.

Based on my research, I propose that this final and essential finding emphasizes the importance of promoting inclusivity and a sense of belonging within organizations—and how this must start at the board level (Harris, 2014). For example, over the last decade, women have

been described as some of the key leaders and promoters of diversity within organizations

(Gupta, 2019). This is particularly true of women in leadership roles, such as CEOs and board

chairs, who have enormous influence in setting the tone and culture for diversity and inclusion

(Gupta, 2019). While women CEOs may not always receive support from their colleagues when

pursuing workplace inclusion, they still often find a way to work with boards in raising attention

to this issue (Gupta, 2019).

The unique yet interconnected lenses of gender and queer theories were also applied to

the study findings related to organizations with women CEOs and board total diversity, and

further highlight the importance of women in organizational leadership positions. At their core,

gender theory and queer theory view US institutions, including NPOs, as being inherently

misogynistic, heteronormative, and nepotistic as a result of mostly being led by White straight

cisgender men, and consequently being harmful to women, gay, queer, transgender, and

nonbinary people (Heckler, 2019; Roddrick, 2021; Themudo, 2009). When considering the

structural obstacles faced by women in organizations, it is simply remarkable to know that

organizations with women CEOs still had positive relationships with board diversity. Frankly,

this illustrates that women in leadership positions, as viewed through the lens of gender and

queer theories, may not only be resilient, but may be vital components of promoting diversity

within NPOs at the staff and board levels alike.

Limitations

There are several limitations to the present study that should be discussed. First, it is

essential to note the findings of this study are somewhat limited in scope as it includes cross-

sectional data analysis, which occurred at a single timepoint, allowing for the exploration of

significant relationships but not the opportunity to discuss causation. Future research can expand

on this study by including analysis of data that includes multiple timepoints. While the findings

offer an opportunity to explore potential relationships, further research should be conducted to

better understand more clearly the specific reasons the aforementioned relationships exist.

Second, the study was limited by the parameters of the dataset and the variables included

in the dataset had limited variation of diversity. This means this research study, both

conceptualization and analysis, was bound by the data collected and the ways it was defined

(Cole & Trinh, 2017). For example, the survey explored gender within the binary of male and

female, which omitted the possibility of exploring the impact of transgender and nonbinary board

member experiences. This considerably limits the studies' scope of gender and gender identity.

Additionally, identities outside of the realm of racial and gender diversity were excluded from

analysis such as sexual orientation, disability, and veteran status, as well as the intersection of

such identities, because these were not included in the survey. These are just a few of the many

other important identities that should be explored on this topic in the future. As gender and race

were the only two diversity categories included in this dataset, this study specifically

concentrates on those two categories to examine diversity on NPO boards. Finally, my study was

limited as the sampling design did not allow for a representative sample.

A final, notable limitation associated with this research is that the survey of CEOs was

conducted before the murder of George Floyd by police officers in Minneapolis, Minnesota in

May 2020. This means that the data collected in this research may be outdated as awareness of

social and racial justice has become more prominent in the US. Specifically, Mr. Floyd's tragic

death sparked a global movement for racial justice placing diversity, equity, and inclusion in the

spotlight of all facets of US and global societies. NPOs across the US quickly condemned Mr.

Floyd's murder, and many pledged to support and donate time, resources, and funds to fellow

NPOs devoted to racial justice advocacy (Chronicle of Philanthropy, 2020). Similarly, NPOs across the US launched internal and external DEI efforts to address the lack of diversity representation in staffing and board memberships and engage in thorough examinations of organizational policies and practices through the lens of anti-racism (Chronicle of Philanthropy, 2020).

It is an understatement to say that Mr. Floyd's murder had global implications for racial justice, as massive protests across US cities and intense and polarizing political fervor have not been seen at this level since the African American Civil Rights movement in the 1960s. The impact of this immense racial justice awakening also likely impacted NPOs, their boards, staff, and client populations alike. While the overall impact, especially as supported by board diversity efforts, is still unknown at the present time, this study sheds invaluable light on the state of the diversity among NPO boards in the US immediately prior to Mr. Floyd's murder. This underscores the critical importance of the study findings as a baseline for future research in this area.

Implications and Recommendations for Future Research

Nonprofit Organizations

As described in the interpretation of key findings, nonprofit organizations fulfill essential needs for many diverse communities in today's world and ongoing research associated with understanding the impact of diversity on boards is a social justice issue that deserves continued attention. Across the globe and certainly within the US as well, NPOs hold major social, political, and economic power and provide myriad services to millions of marginalized and diverse individuals (McKeever, 2018). NPO board diversity, though growing in importance in the social work sector, has received limited attention since it first began appearing in literature in

the 1980s and NPO board diversity has not seen meaningful changes over the past forty years. Still, the current study identified the pressing need for additional research on this topic, especially exploring the relationships between board member diversity, organizational functions, and meeting diverse client population needs. The findings of this study directly address the issue of NPO board diversity and nonprofits by providing an analysis of existing data in an area needing attention across the social service sector for agency administrators and board members alike. Specifically, these findings shed light upon the function and role of NPOs lending insight on how various characteristics may or may not influence board diversity factors.

The summation of study findings point to several key realities facing NPOs that are vital to discuss within the respective lenses of organizational, board member and governance and social justice theories. As I consider major implications for NPOs, I will briefly review the findings alongside relevant theories and include important directions for future NPO research. First, NPOs with CEOs who scored higher on their perception of how board diversity is connected to their respective organization's mission also had significant relationships with board racial diversity. This finding directly shows the importance of organizational mission and diversity—and further, how CEOs and boards alike need to understand this connection if they are serious about addressing issues with board diversity. Undoubtedly, the interconnected association between NPO mission and diversity requires greater exploration in the literature, and I recommend this be examined through the lens of social environment theory to best understand how institutional mission can be supported by NPO CEOs. For example, research on this topic can explore potential blind spots that predominately White NPO CEOs have when connecting diversity and organizational mission. Additionally, future studies should incorporate qualitative inquiry to examine the personal and lived experiences and perceptions of CEOs and board

members as they consider the connection between diversity and organizational mission. I believe strongly that qualitative inquiry would help illuminate specific and detailed examples of CEO and board member perspectives, views, and experiences related to mission and diversity from which we can learn. An example would include a study that interviews CEOs to learn how they incorporate diversity into their organizational mission statements or a focus group of NPO board members to learn how they perceive the connection between mission and diversity.

Next, NPOs need to revisit the importance of revenue as it relates to board member diversity. This is because organizations with revenues between $1 million and $9.9 million had significant positive relationships with board racial diversity. As noted, this revenue level is neither staggering at the low or high level of organizational revenue and will therefore require a much more robust examination of the association between NPO revenue and board diversity. I suggest future studies focus on specific variables, such as organizational performance and decision making, that may help explain why NPO revenue above $1 million but below $10 million is associated with board diversity (Bernstein et al., 2015; Siciliano, 1996). Furthermore, I recommend additional studies apply resource dependence theory to this relationship because it will provide a lens to explore why NPOs need financial sustainability to perform effectively and how this may or may not be related to board diversity. For example, future research can explore the relationship between donations and NPO board diversity to see if prioritizing representation relates to increased financial support from donors. Finally, additional quantitative investigation is also necessary to expand the scope of data available on organizational revenue and board diversity and ensure it includes larger and more representative samples of NPOs, CEOs, and board members.

Next, I will discuss major implications for NPOs related to board racial diversity and the negative relationships I discovered as a result of this study. The first of these was NPOs that are foundations, which had negative relationships with board racial diversity. Based on research, foundations traditionally struggle with organizational diversity that extends all the way up to the board room (Lee, 2022; Taffe & Gilpin, 2021). This clearly points to the need for further research related to how an organization type may or may not influence board diversity and vice versa. Specifically, future research might focus on how institutional functions of different NPO types may either support or impede the promotion of board diversity. This certainly is an understudied area but does exist in certain literature that shows NPOs have traditionally existed within White-centric systems that certainly impact institution types differently (Harris, 2014). Future studies may benefit from the application of institutional theory to help observe how the norms, structures, and functions of NPOs may directly relate to board diversity (Miller-Millesen, 2003). I also recommend additional quantitative studies be conducted on a larger sample of foundations specifically to explore if significant similarities and/or differences exist between board diversity and foundation functions. For example, such studies will include data collection that explores the presence or lack of decision making protocols or organizational performance metrics that may help support greater representation on boards.

Next, a finding that deserves further research is associated with NPO boards that require personal contributions from board members which had a negative relationship with board racial diversity in this study. I therefore believe future studies should focus on the similarities and differences, such as financial performance, board size, and community image, which may exist between boards of NPOs that require (or do not require) personal financial contributions of members and contribution levels. Such studies will help illuminate if key associations exist and

provide NPOs with an ability to better understand the impact of contribution requirements and board diversity factors. Such studies would benefit from the application of agency theory to examine how the policies and practices (e.g., personal contribution requirements) associated with different types of organizations may affect board diversity (Miller-Millesen, 2003). Future mixed methods studies might help ensure the voices and experiences of diverse board members are included when exploring NPO board member financial contributions and how this impacts individual board members via qualitative inquiry. This combined with quantitative studies might provide more robust data by helping to explore specific contribution levels that different NPOs require of their board members and if there is any relationship between the amount and frequency of such contributions and board member diversity. Lastly, the assessment of "other" forms of board member contributions (e.g., committee work, promotion of fundraisers, time and effort) should also be examined as key alternatives to financial contributions and the impact this new policy decision may have on diverse board membership, recruitment, and retention.

Another relationship that poses major implications for NPOs is those with non-White CEOs also had a significantly negative relationship with board racial diversity. This chiefly warrants further research to better understand exactly how racial diversity of NPO CEOs may or may not impact board diversity. Specifically, future studies should apply the lens of critical race theory to consider ways that traditionally White-centric institutions may influence the association between a CEO (both White and non-White) and board racial diversity. This is particularly important for NPOs to better understand the ways that intra-racial discrimination and colorism may directly impact CEOs of color (Thornhill, 2021). NPOs want their CEOs to succeed and understanding barriers specifically impacting CEOs of color might help to accomplish this. I firmly believe future qualitative inquiry should be conducted to help uncover the perceptions and

lived experiences of non-White CEOs to further understand the impact of intra-racial

discrimination and/or leading typically White-centric institutions and how this all may relate to

board diversity or lack thereof.

Findings from this research study showed that organizations with women CEOs had

significantly positive relationships with board racial, gender, and total diversity. These findings

identify major implications for NPOs to consider in the future related to how CEO gender and/or

gender identity may relate to board diversity. Specifically, future research should center the

frameworks of gender and queer theories to explore the ways in which misogyny, cisgender bias,

and heteronormativity may intersect and impact organizations with women CEOs and factors

surrounding board diversity. Further, although intersecting identities such as sexuality and

gender identity as understood through gender and queer theories were not explored in this study,

the importance of considering the role of intersectionality for organizations with women CEOs

(in addition to all organizations) remains crucial.

Relatedly, findings from this study showcase the need for future research to include

intersectionality. For example, while the findings show women-led organizations having greater

board diversity, they also showed less diversity when the CEO was non-White. Ashley and

Kearney (2018) describe intersectionality as a crucial factor to consider alongside diversity

among nonprofit leaders and board members alike because simply having representation from

one demographic group (such as one Latina woman or one Black man) in an NPO leadership

position or on a board does not necessarily equate to diversity, equity, belonging, or inclusion.

This is because intersectionality recognizes how different aspects of a person's identity, such as

the combination of race and gender, interact to create unique experiences of oppression and

privilege (Ashley & Kearney, 2018). For example, a Black female CEO may have very different

perspectives and lived experiences with diversity than a White female CEO (Martinez-Cosio &
Foot, 2017). This is vital to consider in light of the findings because it demonstrates the need for
future research to examine the role of intersectionality more closely with NPO leaders and how it
may relate to board diversity. For example, further exploring intersectional factors among NPO
leaders (along with board members) may provide greater insight into how the racial identities of
women CEOs (along with gender identity, sexual orientation, ability, and other social identities)
may (or may not) have an influence upon board diversity.

Finally, qualitative investigation and future studies on this topic would benefit by
providing an opportunity for women CEOs and diverse board members to express their
individual perceptions pertaining to the relationship between a CEO's gender and board
diversity. In addition, when specifically talking about gender, gender identity, and sexual
orientation in future research, it is essential to note that within the overall scope of diversity, the
perceptions of experiences of LGBTQ+ CEOs and board members be included in addition to
other HMIs such as populations with disabilities. As previously described, this was a notable
limitation of this study and existing research in this area. However, this also provides a major
opportunity for NPOs to consider when looking further into the matter of addressing board
diversity.

Social Work Practice

When considering the findings in light of social work practice it is crucial to note that
conversations on diversity, equity, and inclusion topics continue to gain national attention. This
reality has clearly been of concern across the social service sector holding major implications for
micro, mezzo, and macro practice frameworks (Bernstein et al., 2019). At the heart of these
discussions is the reality that social work practice is so closely aligned to advocacy and the

promotion of social justice. As such, I will describe how the overall findings of this study

support the literature by describing the link between NPO board diversity and organizational

characteristics that correlate with social work practice and social justice. A major overall

takeaway is that the findings collectively highlight the need for social work practice to explore

ways to increase racial, gender, and total diversity on NPO boards whether through ongoing

discussion within organizations, in boardrooms, via research, and so on. This is because social

work practitioners often work within organization that are different by type (e.g., non-profit,

foundation), revenue (e.g., small, mid, large), and location (e.g., urban, rural; Austin, 2014).

Social work practice and practitioners should be at the forefront of conversation associated with

DEI and the promotion of social justice for diverse client populations that can benefit from

increased board racial and gender representation (Ashley & Kearney, 2018).

The overall results of this study also support guidelines set by the National Association of

Social Work (NASW) Code of Ethics, which point to the importance of diversity in NPOs

(2019). One way this focus on diversity can be expanded is through a partnership between social

work practitioners and NPOs to explore ways that their respective organizations can address

board diversity recruitment and retention. Specifically, the findings show that social work

practitioners should be promote board diversity and be advocates within their organizations as it

relates to the use of funding to hire, retain, and promote women CEOs. This would ensure social

work practitioners are abiding by the NASW Code of Ethics and subsequently promoting gender

diversity within organizations. Similarly, as the findings show the importance of organizational

mission and board racial diversity, social workers should decipher how the mission of an

organization supports and promotes such diversity. In organizations where there is not an

inherent link between organizational mission and diversity, social workers must advocate for this

relationship to be explicitly addressed across dimensions of gender, race, and other forms of

diverse social identities.

Furthermore, the negative relationships identified in the findings, such as organization

type, personal contributions of board members, and non-White CEOs, require additional in-depth

examination within the field of social work practice. This is primarily because social work

practitioners are often responsible for drafting organizational policies and practices in NPOs and

they can use this platform to ensure that a focus on diversity is present and extends to the board

level. The findings show how social workers who work within foundations should be particularly

alarmed and focus on reviewing internal policies and practices to see how they align (or do not

align) with board diversity. The findings also show how social workers should consider whether

requirements of personal contributions of board members helps or hinders board diversity and if

this practice truly supports the values of the profession associated with diversity and equity. This

matters significantly as potential board members may self-select out of joining boards that

require personal contributions due to financial limitations or other constraints without being

given alternatives to such contributions (James et al., 2021).

Finally, social work practice plays a critical role with NPOs by providing services to

historically marginalized communities, such as women and people of color, among others

(Brown & Chow, 2010). A key message illustrated via the study findings is associated with the

interconnected role of social work practice, social justice, and the impact of neoliberalism on

NPOs. This dynamic was described in the literature review through the lens of neoliberal theory,

which helps us understand how NPOs may be hyper focused on financial outcomes and

successes at the cost of other important tasks and efforts (such as diversifying their boards;

Alexander & Fernandez, 2020). For example, neoliberal theory emphasizes that US NPOs are

overly pressured to concentrate on fundraising and have little room to focus on anything else, including social justice matters, such as improving board diversity or enhancing culturally appropriate care and service delivery (Alexander & Fernandez, 2020; Sandberg & Elliot, 2019). This is clearly a social justice issue for the social work profession to address because NPO board members are charged with approving services available to diverse client populations, and their ability to understand the unique needs and lived realities of such communities must be closely scrutinized. Together, the overall findings displayed the complex relationship between social work practice, NPO boards, and the client populations they both serve while also underscoring the need for advancing an examination of the impact upon service delivery and provision of affirming care.

Social Work Education

In addition to social work practice, it is imperative to consider the implications of this study alongside social work education. This is especially important as the social work profession continues to incorporate DEI content into educational curriculum and training across degree programs (Woo et al., 2022). Overall, the findings show that a greater emphasis and understanding of the impact of board racial, gender, and total diversity is needed in social work classrooms. Specifically, I recommend a focus on board diversity be incorporated in social work education by expanded content and training for macro social workers within undergraduate, graduate, and doctoral degree programs so future NPO social workers and leaders are better prepared to address board diversity issues (Austin et al., 2013). For example, macro social workers would benefit from learning about the ways that NPO board diversity can improve culturally competent service delivery and thus help society as a whole. However, I must note that this is not to say that only macro curriculum and education would benefit from such a discussion

as there are clearly implications for mezzo and micro practice as well. For example, board

diversity also enhances NPO creativity and performance, which can benefit clinical practice and

help ensure that the nonprofit is staying up-to-date with the latest research and best practices.

This directly complements the mission of social work education, which fundamentally is to

ensure students are better able to understand and navigate matters associated with diversity,

equity, and inclusion along with the promotion of social justice across all frameworks of

practice.

 Additionally, it is important to note that trained social workers may interact with NPO

boards and board diversity factors at some point in their career even if this is not part of their

professional ambitions. This is because many practitioners who work in NPOs today, from case

managers to clinicians, community organizers, and administrators, have all received similar

forms of social work education and practicum training, while many also seek clinical licensure,

and ongoing post-graduate education. In fact, data collected on US professionals who hold

baccalaureate (BSW), or graduate (MSW) social work degrees shows that more than 40% are

employed by NPOs and may directly work with boards (Salsberg et al., 2017). This highlights

the need for social workers to receive education that prepares them to understand nonprofit

boards and board diversity factors.

 Statistics on social workers also show that 83% identify as women, and as such, are likely

to hold or be promoted to leadership positions up to the level of CEO and work directly with

boards in the future (Damman et al., 2014). This directly connects to the findings that identified

organizations with CEOs who are women had significant relationships with board racial, gender,

and total diversity. This reality underscores the importance of continuing this conversation while

also knowing that future NPO CEOs will be comprised of women, people of color, and other diverse identities.

The findings of this study also emphasize the importance of social work students understanding the relationship between board diversity and organizational characteristics. Specifically, social work students may require ongoing training and education to help them understand that several types of organizations exist and why certain types (e.g., foundations) may have negative relationships with board diversity. Additionally, social work students may benefit from understanding the relationship between board member and governance theories (along with other theories examined in this study such as critical race theory) and NPO board diversity (Austin et al., 2013). This instruction may help social work students better identify the possible root causes of NPO board diversity issues and be better prepared to address such challenges when they work in the future within NPOs and with NPO boards.

Finally, research underscores the importance of social work students more clearly understanding representation matters within NPOs, particularly at the organizational and board levels (CSWE, 2015). Relatedly, the findings of this study underscored a positive relationship between organizational mission and diversity and board diversity—thus pointing to the need for social work students to understand this connection. This finding is supported by CSWE's Educational Policy and Accreditation Standards (EPAS) that identifies the value of training related to myriad factors associated with diversity in social work education. For example, the EPAS charge social work educators and students to collectively commit to diversity by engaging in self-awareness practices that promote an ability to better understand the needs of diverse client populations as well as their own biases, assumptions, and stereotypes (CSWE, 2015). Social work educators who are committed to educating students on the importance of racial and social

justice must fundamentally understand that content, training, and conversations around macro practice (e.g., leadership, administration, non-profit management, and service provision) all remain critically relevant and important to serving diverse clients. Ultimately, today's social work students are tomorrow's NPO leaders, service providers, and board members, and therefore must fully understand the importance of diversity and representation across the NPO sector all the way up to the boardroom.

Conclusion

This study explored relationships that exist between nonprofit board racial, gender, and total diversity and certain organizational factors. The purpose of this study was to examine NPO board diversity as a prominent social justice issue facing the social work profession and NPO organizations alike. The data utilized was from BoardSource's Leading with Intent 2017 dataset, which included responses from 1,378 NPO CEOs. Based on the dataset, several organizational factors were included for descriptive and inferential analysis including board racial, gender, and total diversity. Furthermore, the influence of leadership perceptions and organizational factors, such as CEO racial and gender diversity, geographical location, organization type, revenue, personal contribution of board members, and CEO perceptions of mission and board diversity were examined. Quantitative analysis included the use of ANOVAs, chi-squares, and logistic regressions to study associations between board racial, gender, and total diversity and organizational characteristics.

The findings of this study recognized that significant positive relationships were noted between organizations with women CEOs and board racial, gender, and total diversity. Additionally, positive relationships existed between racially diverse boards and CEO perceptions of board diversity and organizational mission, as well as organizations with revenues of $1

million to $4.9 million and $5 million to $9.9 million. Significant negative relationships were

observed between organizations that are foundations, organizations that require a personal

contribution of board members, and non-White CEOs and board racial diversity. Additionally,

literature on NPO boards and certain theories (e.g., agency, resource dependence, institutional,

social and environment, generalist, critical race, gender, and queer) were applied to the findings.

A number of limitations were identified based on the scope of the study and the use of

secondary data analysis, which meant I was bound by the data collected and the ways it was

defined. Furthermore, the data was collected before the murder of George Floyd in Minneapolis,

resulting in a large-scale racial and social justice reawakening across the US. Implications and

recommendations for future research included a robust review of how organizational, board

member and governance, and social justice theories supported the findings. Additionally,

implications proposed future directions for studies on this topic with an emphasis on the

expansion of data collection methodologies and scope of organizational characteristics included

as variables. Central to this future research is a need to recognize the vital importance of this

topic within the realm of the social work profession. The limited scope of diversity available for

analysis in this study also points to the need for further research that should be expanded to

include other historically marginalized identities, such as members of LGBTQ+ communities,

those with disabilities, and veterans, among others.

Finally, relevant social work education and practice implications were provided to frame

the need for continued research in this area as well as promote future discussion of this important

topic among social work educators, practitioners, researchers, as well as staff, administrators,

and board members within the social service sector. At the core of the findings of this study is a

social justice issue related to board diversity that will require continued attention from the entire

social work profession in order to be resolved. This timely study helps to further research in the realm of NPO board diversity and details the imperative need to advance this crucial social justice conversation across the nonprofit sector and beyond.

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VITA

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