Contributor: Peter Hoontis Current Function: Associate Dean, Rutgers University Date: 2013/04/07 Subject: Accountability and Organization Performance: An Examination of Board Governance Characteristics and Nonprofit Organization Effectiveness

The nonprofit sector in the United States has experienced rapid growth in the last decade (Urban Institute, 2009). The work of these organizations is carried out through a network of paid staff and volunteers. Of the millions of Americans who volunteer, a small group volunteer to serve on the board of directors of these organizations. They accept a call to serve as others who volunteer to tutor in an afterschool program, serve food at a shelter, or lead a book club at a senior center. The volunteers who serve as members of nonprofit boards take on fiduciary and statutory responsibility for stewardship of \$4.3 trillion of assets (Urban Institute, 2009) providing services to millions of people. Often, board members come to serve in this capacity with very little experience as a program volunteer and less as a volunteer board member (Brudney & Murray, 1998). They join the organization as a board member with a high level of motivation to serve (Inglis & Cleave, 2006). When people volunteer to serve food, tutor, or mentor they are given an orientation to the task, have a clear understanding of what it is to be successful in achieving their task, and how it is linked to the mission of the organization (Ellis, 1996). Research on boards tells us much about what board members should be doing to fulfill their fiduciary and statutory responsibilities (Craver, 2006; Chair, 2005; Herman, 2009; and Ostrower, 2007), but a modest amount of research addresses how board members accomplish these responsibilities and what the antecedents are for their success.

This research asked: is there a relationship between effective participation characteristics of board members and the effectiveness of nonprofit organizations?

Based on the theoretical model— The Rosener Participation Effectiveness Matrix— a series of focus groups, interviews, observations, and surveys rating the participation effectiveness of ten nonprofit boards (involving 113 volunteers) was conducted. The ratings of these boards were compared to an existing data set, which rated the overall effectiveness of these organizations. An analysis of the relationship between the data sets was conducted.

The results of this study indicate a possible relationship between the presence of certain board participation traits and the effectiveness of nonprofit organizations. This research points to the need to expand our thinking about how we rate nonprofit performance. It also contributes to advancing our understanding of the important, often overlooked, and underestimated role of the volunteer boards of nonprofit organizations in the United States.