Community-Engagement Governance: Empower Your Nonprofit for Community Impact

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If only my board understood its roles and responsibilities!
My board is disengaged. Only a few members are active.
Our meetings are poorly attended and boring.
Our committees don’t function.
There’s tension between the board and staff.

Do these complaints sound familiar? Nonprofits looking to turn these problems around commonly base their interventions on the notion that the board is simply confused, or its members don’t understand the board’s roles and responsibilities. Many boards still look to board training as the solution to their problems or rely on outdated prescriptive tools that go for the quick fix, rather than address underlying issues with their governance model.

Although it has become increasingly clear that traditional governance models are inadequate for effectively responding to the challenges faced by many nonprofits and their communities, nonprofits continue to use them. The result? Reoccurring problems that yield persistent frustration and perpetuate board dysfunction. Moreover, a substantive portion of what’s written about boards continues to advocate a one-size-fits-all board model, despite substantial amounts of research demonstrating that no single model can possibly work for every organization.

In response to the need for new approaches, a national network of practitioners and researchers initiated the Community-Engagement Governance ™ Project. The group has developed a new governance framework and is currently engaged in a participatory action research project, working with nonprofits around the country. The research has produced exciting results, some of which are described in this article.
Why Do We Need New Governance Approaches?

Beth Kanter and Allison Fine, in their book *The Networked Nonprofit*, describe the typical state of many nonprofits as “fortressed organizations” that “sit behind high walls and drawn shades, holding the outside world at bay to keep secrets in and invaders out.” Unfortunately, this description applies to most nonprofit boards that follow traditional, insular governance models. Boards that adopt these models often become so inwardly focused that they isolate themselves from the communities they ostensibly serve.

Think about it. Traditional governance approaches—based on corporate models and outdated, top-down “command and control” paradigms—still dominate the nonprofit sector. These models feature strong, inherent demarcations between board, constituents, stakeholders, and staff, with the executive director often the only link between the various parts of the organization. This compartmentalization commonly causes the board—and ultimately the organization—to disconnect from the stakeholders and their needs. Moreover, the pervasive trend toward “professionalism,” with boards comprised of “experts” who may or may not be engaged with the organization’s mission, has tended to deepen the class divide between boards and their communities. These realities inhibit effective governance and accountability, minimizing community impact.

The nonprofit sector should foster and advance democracy and self-determination. If a nonprofit organization is to be truly accountable to its community and constituencies, democracy must be at its core. Yet, nonprofits have tended to replicate structures and processes that actually hinder democracy within organizations.

Hierarchical structures in governance not only run counter to democratic values and ideals, they often impede an organization’s efforts to achieve its goals and fulfill its mission. Consider . . . if those who are directly affected by an organization’s actions—its constituency—are not included in key decision-making processes, they may not be as likely to back the organization with their advocacy voices, volunteer time, or cash. Additionally, a nonprofit without such involvement risks arriving at conclusions or decisions that are incongruent with its constituents’ needs and its own mission.

How Can Governance Extend Beyond the Board?

Community-Engagement Governance is an expanded approach to governance, built on participatory principles that move beyond the board of directors as the sole locus of
governance. It is a framework in which responsibility for governance is shared by key stakeholders across the organization, including constituents, community members, funders, and staff, as well as the board. It is based on established principles of participatory democracy, shared leadership, self-determination, genuine partnership, and community-level decision making. It is a framework that helps organizations and networks become more responsive to their community needs and to become more adaptive to the changing environment. How? The larger number of active stakeholders translates to more person power, with increased responsiveness and impact, and more credibility with funders.

Community-Engagement Governance is designed as a framework rather than a model. Our intent? That it be adapted to each organization’s unique needs and circumstances, since research has repeatedly demonstrated that no single governance model can fit all organizations. Many factors—including mission, constituency, stage of organizational development, and adaptability—influence what design will be most effective. So, while the framework is based on a common set of underlying principles, the specific structures and processes it engenders differ across organizations.

What are the Framework’s Key Principles?

So, if flexibility and adaptability are central to Community-Engagement Governance, what principles define the framework? We have found seven.

Community Impact at the Core

In contrast to traditional governance models in which the primary focus is the effectiveness of the organization, this framework situates the community impact at its core. It reprioritizes results over institution, and also makes the desired impact overwhelmingly the most important focus of nonprofit governance.

Governance as a Function, Not a Structure

The Community-Engagement Governance Project defines governance as “the provision of guidance and direction to a nonprofit organization, so that it fulfills its vision and reflects its core values while maintaining accountability and fulfilling its responsibilities to the community, its constituents, and the government within which it functions.” This definition doesn’t say
anything about who has “to do” the governance work for an organization. And, believe it or not, legally, there are few requirements regarding who can partner with the board in shared decision making. Thus, nonprofits have leeway regarding which decisions it chooses to share with—or delegate to—constituents and other stakeholders—even other nonprofits—and which decisions fall under the board’s purview.

Redistributed and Shared Decision Making and Power

The heart of governance is decision making—or, in other words, power, control, authority, and influence. Power? Yes, and although it is almost never mentioned in discussions about boards or governance, our premise is that governance is all about power. Should a very small group of people, often outside of the community, make the key decisions in isolation from constituents and the community? This framework says no. And, the focus groups, surveys, feedback sessions, and interviews that your organization may engage in from time to time in order to solicit input is not enough.

With Community-Engagement Governance, decision making—and thus power—is redistributed and shared, creating joint ownership, empowerment, and mutual accountability. Those who have the biggest stake in the mission and are closest to the organization’s work—constituents, other stakeholders and staff—are partners with the board in governance decision making. This redistribution of power makes nonprofits both more resilient and responsive to their communities, through the resultant mutual accountability.

Democracy and Self-Determination

The nonprofit sector should above all foster and advance democracy and self-determination. This drive should reach deeper than simply advocating for such democratic values outside the organization. Yet most nonprofits, even those that have constituents on their boards, tend to operate with top-down hierarchal structures and processes. The result? Those for whom the organization or network is intended often feel disempowered and disengaged, potentially
preventing the organization from achieving its mission.

**No One Model for All Nonprofits**

Although the framework utilizes common principles, the specific governance structures and processes employed by a nonprofit will differ according to the organization’s needs, size, mission, and stage of development, among other variables. This results in great variability and customization in governance designs across organizations.

**Governance Functions Distributed Creatively**

Rather than focusing on the commonly used list of governance roles and responsibilities, it is more useful to focus first on governance functions, such as planning, evaluation, advocacy, and fiduciary concerns, and then look creatively at how these can be distributed among stakeholders.

**Transparency, Open Systems, and Good Information Flow**

Good communication with continuous information flowing among stakeholder groups is critical for engaging stakeholders in shared governance. Social media and e-governance have proven extraordinarily useful tools for creating increased transparency and facilitating large-group decision making.

**How Does Community-Engagement Governance Work?**
As depicted in the diagram, the framework allows for different kinds of distributed governance to be shared among three organizational layers:

1. Primary stakeholders—i.e., constituents and those that directly benefit from the organization’s mission
2. Board, staff, and volunteers
3. Secondary stakeholders—i.e., funders, community leaders, legislators, collaborating nonprofits and partners, and networks

The organization determines, along a continuum, what types of governance decisions are situated in what layer(s) of the organization, who should be involved in the decision, and how the decisions are made. You can see above how four of the key governance functions—planning, evaluation, advocacy, and fiduciary care—are depicted as involving different layers of the organizational system.

Policy changes, for example, might first be discussed within groups representing the interests of one layer, and then by the organization as a whole; or, in very large organizations, within a group made up of representatives from each sector. Breaking into teams and giving each team decision-making authority, or employing facilitation techniques that solicit input from a large number of diverse individuals in the community, are typical vehicles used to engage stakeholders in making major decisions. But involving people from all layers in deciding key strategic directions is critical.

We believe certain competencies are necessary for an effective shared-governance system. As shown outside the concentric circles in the diagram above, there are five of these:

- Strategic thinking
- Mutual accountability
- Shared, facilitative leadership
- Cultural competency
- Organizational learning

These competencies should be intertwined with all areas of governance work and organizational components. In this way, they will contribute to the organization’s flexibility, adaptability, and responsiveness to environmental changes.
The design/coordinating function for the process is performed by a design or coordinating team, or in some cases by the board itself. If your organization chooses to use a design or coordinating team, the makeup of that team will be unique to your organization’s needs. In many instances, the board continues to hold the “fiduciary care” role—ensuring financial management and resource development functions. In others, aspects of this function are shared by various stakeholders.

Who Uses Community-Engagement Governance?

Currently, about a dozen diverse organizations and networks are participating in the Community-Engagement Governance Action Research Project and are adapting it to their varied constituencies, missions, stages of development, strategic directions, budget size, and external factors. These entities have diverse missions, and include national, statewide, and community-based organizations, coalitions, and networks.

What Structures and/or Processes Are Most Effective?

Each organization or network determines which decisions will be shared by which stakeholder groups, and how such decisions will be made and coordinated. Some participating organizations have created structures that include cross-representational decision-making teams or steering or coordinating committees focused on specific governance functions, such as strategic direction setting, planning, advocacy, and fiduciary oversight. Most of the participating organizations have also used large-group decision-making methods, such as World Café, Future Search, Open Space Technology, and Whole Scale Change to help them bring together key stakeholders in one room, to make decisions together. Participating organizations have also used member and general assemblies, community forums, town hall structures, visioning sessions, and other large-group democratic meeting formats to decide on key strategy or policy. Other participating organizations have used e-governance and social media not only to facilitate shared leadership through shared and transparent information, but also to facilitate ongoing strategic-level discussions and, most importantly, to make decisions as a large group.

A Few Examples. . .

Below are three examples of how different organizations have adapted Community-Engagement Governance to best meet their needs and the needs of their communities.
Centro Presente

A prominent immigrant rights organization in Massachusetts, Centro Presente shares governance functions such as strategic planning, setting strategic directions, executive director hiring, campaign planning, advocacy and organizing, and leadership development with its members who come from the broader Latino community. Its board continues to hold fiduciary and legal responsibilities, but shares most other key decisions with the membership. Members Assemblies are convened several times a year and are the highest decision-making structure for the organization. At the assemblies, a large group of active members from the community, board, and staff jointly make the larger strategic-direction decisions for the organization. For example, they set their immigrant rights strategy and campaign strategy for the year. They also delegate governance responsibilities through a team structure, comprised of the board, staff, and active members.

Homes for Families
Homes for Families, a statewide organization whose mission is to end family homelessness, holds a whole-system yearly strategy session that involves constituents, board, staff, members, and partner organizations. During the session, the strategic directions and new initiatives for the organization are decided on together. Based on these decisions, the board—made up of equal numbers of constituents and other primary stakeholders—and teams take on a range of governance decisions. Uniquely, they have developed an integrated, ongoing constituent leadership development program that builds governance and advocacy skills. Constituents who graduate from the program assume leadership positions within their Advocacy Leadership Team, which then designs and implements the organization’s advocacy/organizing strategy. Constituents also join other stakeholders on the Public Policy Committee, which makes governance decisions regarding public policy strategy between strategy sessions.

Shaping New Jersey

Shaping New Jersey, a statewide network of more than two-hundred nonprofit and government organizations, is using this framework for a coordinated planning and implementation process to reduce New Jersey’s obesity levels. Using Community-Engagement Governance, network members have designed a governance structure and process in which the partner organizations make governance decisions regarding the planning and implementation of state-
level environmental and policy strategies. An executive/sustainability committee, representing fifteen to twenty partner organizations, serves as both a design and coordination team. The team facilitates meaningful partner engagement in joint advocacy, communications, and collaborative plan implementation. While full partnership meetings occur twice a year, most of the decision making happens within a variety of work teams empowered to make decisions ranging from setting advocacy priorities to designing strategies for increasing access to healthful foods. The network employs e-governance, using polling to make decisions and a web portal to make documents and reports transparent to the full partnership.

What are the Benefits of the Community-Engagement Framework?

Although the research is continuing, the participating groups have discussed some of the benefits they are experiencing. You may be surprised at what they've found!

More Responsiveness and Increased Accountability

Participating organizations report that they’ve been able to swiftly mobilize in situations requiring a coordinated response. For example, the immigrant rights group quickly organized their community to participate in community town hall discussions and protest actions when community members were being affected by immigration policy changes. Similarly, other
participating organizations report that they have been more proactive, adaptable, and nimble in their decision making, especially as changes in the environment present themselves. Accountability to the community appears also to have increased as a result of stakeholders playing a significant role in choosing solutions.

**Better, More Creative Problem Solving and Decision Making**

Participating organizations state that the quality of their decision making improved as a result of sharing governance responsibilities with key stakeholders. They point to the ability to be more strategic in discussions and cite increased creativity along with new thinking and innovative ideas. With community engagement in decision making, they are better able to solve complex problems. For example, one participating organization attributes its ability to design a compelling and effective lobbying strategy to the multiple perspectives that emerged from the larger, vested group, which included currently and formerly homeless individuals. Increased government funding for more innovative and responsive services were a direct result of this impactful lobbying effort. Yet another participating group spoke of its increased ability to quickly align its program direction with changing community needs.

A frequently asked question is whether involving stakeholders in decision making takes more time or leads to a more cumbersome process. The answer appears to be no. In fact, the pilot organizations report that, compared with their previous models, they are now able to make more efficient decisions. The information, knowledge, skills, experience, and connection to the mission needed to make quality decisions are already in the room.

**Increased Ownership of Mission and Strategic Directions**

Participating organizations report that implementing a shared decision-making structure—one that includes stakeholders—leads to increased investment and ownership of those decisions. On a related note, they cite an increase in morale among both board and staff members.
New and More Distributed Leadership

As part of their efforts to include community members and constituents in shared governance decision making, some participating organizations report that they have developed leadership development initiatives to assist constituents in acquiring leadership skills. This has resulted in new and more diverse leadership for the organization or network.

Improved Collaborations

Participating organizations report that by removing the isolating boundaries around the board and engaging stakeholders in decision making, they can develop new, deeper collaborations and partnerships. In some cases, this has resulted in “networked governance”—joint governance decisions across numerous organizations.

Increased Visibility

Several groups report that their ability to respond more quickly to changes and needs in the community has led to more ongoing and increased visibility within their communities. This increased visibility, in turn, has led to greater support from secondary stakeholders and ultimately has helped to build their membership and network of supporters.

Increased Financial Sustainability and Fundraising Capacity

Several organizations report that the process of engaging their community in governance decision making has strengthened their fundraising. As they shifted to a grassroots fundraising strategy that engaged more community members, they eventually built more diverse community ownership of the organization, resulting in more sustainable funding.

More Engagement, Passion, and Transparency

Pilot organizations report that as a result of their new governance approach, their boards have
become much more engaged in their work and more passionate about their organization’s strategic direction and programs. As boards worked more closely with stakeholders, especially constituents and key community leaders, they developed a more meaningful relationship with the community, deeper understanding of the community’s needs, more transparency, and significantly more accountability to their communities.

**Promising Benefits for Nonprofit Governance**

Although we continue to learn from our experience and research, the Community-Engagement Governance framework demonstrates promising benefits for nonprofits and their communities. We hope this new framework will not only advance the movement toward more effective governance models and practices, but also assist nonprofits in transforming their governance to become more inclusive, democratic and ultimately, focused on impacting the communities they serve.