Learning from Failure: Insights from the Life of a Truly Dysfunctional Board
Thomas Jeavons, Ph.D. and Pamela Leland, Ph.D.

The Context

It seems like virtually every article presenting new empirical research on board governance (Bradshaw, Murray & Wolpin, 1992; Jackson & Holland, 1998; Herman & Renz, 1999; Miller-Millesen, 2003), or reviewing that research literature (Ostrower & Stone, 2006), begins by observing there is a plethora of books and articles written for practitioners that are highly prescriptive in nature. While there is now an impressive and growing body of good empirical research on boards and governance from recent years has been, it is still true that most of the things written to guide nonprofit boards, leaders and managers are practice centered and largely prescriptive (e.g., Axelrod, 1994; Carver, 1990; Houle, 1997; Ingram, 2003). This makes sense because people in these roles often look for that kind of literature to find practical advice and immediate answers to address pressing problems in their organizations.

It is also true that there is a marked tendency in the practitioner literature, and in the discourse of consultants, to focus on “best practices.” This is, in fact, a tendency in the practitioner-oriented literature of management reaching back at least to In Search of Excellence (Peters & Waterman, 1982). A focus on high performance and best practice in organizations has clear value for those that are already basically healthy, generally functional, and for the most part fulfilling their stated missions. However, framing all inquiries on governance in these terms certainly misses a vitally important audience. By definition, it would seem that only a limited number of organizations and boards could be the very best. Many more organizations struggle to maintain adequate practices; some are just able to survive. And a number of organizations go through fiscal, operational, or leadership crises with amazing frequency, with the unfortunate consequence that the needs or people they were created to serve are not addressed as effectively as they should be. Those of us who observe large numbers of nonprofits know that the challenge many boards face is to reach a level of moderate but consistent functionality, so that they can guide and assist staff (and other volunteers) as they seek to fulfill their core mission. If this is true, the guidance that many who serve on nonprofit boards and those who work with them need first is knowledge of how to avoid the worst mistakes and obvious pitfalls in governance.

Our Focus

We start with the assumption there is much to be learned, sometimes with broad applicability, from a thoughtful examination of both successes and failures in the practice of governance. We offer a case study of a regional adjudicatory organization in a small, but distinct and visible, faith tradition. This paper will explore the structure and practice of governance in this organization in an effort to understand what can be learned from both its successes and its failures.

It should be noted that this organization can be described as one in a state of crisis. In many ways, this crisis is one that currently faces a number of denominations (e.g., declining membership, an aging membership, financial hardships, etc.). There are, however, some aspects to this crisis that are distinctive to this organization. It must also be acknowledged that while many would agree with this conclusion, there is not agreement as to the sources of the problems or the appropriate responses to these problems. These internal disagreements are exacerbated by the particular structure and culture surrounding the practice of governance.

In exploring these tensions, we will look at the literature on governance, board effectiveness, and organizational effectiveness for several purposes: (1) To assess the claim we make about the general character of governance; (2) To examine more closely the governance structure and processes of this organization to see how they compare and contrast with what both the empirical and prescriptive literature suggests are effective governance models; and (3) to consider if and how weaknesses or difficulties in governance may be leading to the more general lack of success for the whole organization.
We will then turn to the story of this organization to try to tease out the factors that may contribute to governance being so problematic; and more broadly to an examination of what may be the sources of this organization’s current embattled status. By examining these factors against what we see in models of effective governance in effective organizations, we hope to illuminate some of the concerns and potential pitfalls around governance to which all organizations may want to pay attention.

An Important Disclosure

It is important to note that this paper’s authors are both long-term members of this organization, and one formerly served as its executive. Both as scholars and persons invested in its future, we want to give full and fair consideration to the distinctive context and ideals that shape the operations of this organization, which is a religious entity. We also want to explore, understand, and highlight how a distinctive and alternative set of values may be served and strengthened by its different approach to governance. At the same time, we want to explore how other approaches to governance might respect these values and still lead to an organization that could become more effective in its service to its members and others, and a better steward of its own resources.

Partial Bibliography:


