Innovation and Nonprofit Boards: An Exploratory Study

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Abstract:

Innovation is often highlighted as a key construct in discussions about change and new value creation. Some even consider innovation a necessity for long-term organizational survival and today many nonprofits are being asked to “be more entrepreneurial.” Innovation is often described and defined in the organizational literature as the creation of new processes, programs, services etc. that seek more effective or more efficient outcomes than preexisting alternatives. However, capturing the elements that stimulate, hinder, moderate and/or mediate innovation in organizations has proven to be a difficult and challenging task. The purpose of this study is to empirically explore the linkage between innovation and boards by focusing on the relationships between innovative behavior and board characteristics in 61 nonprofit human service agencies.

This research represents one small facet of a greater discussion focusing on the governance challenges of balancing entrepreneurism with other nonprofit values. While the board is not synonymous with governance it still represents a central agent that can and will influence and/or determine nonprofit organizational action, and more research is needed to better understand the role of boards in the entrepreneurial process.