

BoardBrief

Prepared for Colorado Hospital Association Trustees

Is Your Board Benefiting From the Next Generation of Leaders?

The keys to a successful and sustainable organization are rooted in a mission-driven focus, a sense of vitality and the ability to look ahead and plan for continued success into the future. Who better to contribute energy, new perspectives and a vested interest in the future than the next generation of leaders? Yet nearly 60 percent of not-for-profit board members are over the age of 50; add in board members over age 40 and the percentage jumps to 86 percent.¹ If your board is missing the diversity of age, you may also be missing the commitment, passion for service, and fresh thinking of your community's next generation of leaders. In addition to the benefits younger leaders can offer to your board, you may also be missing an opportunity to offer your community a valuable leadership development experience for these future leaders.

Four generations are now represented in the work force, but not necessarily around the board table. If nearly sixty percent of not-for-profit board members are over age 50, and 86 percent are over age 40, there's a good chance that generations X and Y (those born between 1965 and 2000) are probably not represented on your hospital's board. And it's not because they aren't interested. Talented and educated young leaders are committed to not-for-profit work because of "its promise of meaningful work leading to social change." In a national study in which two-thirds of respondents were under the age of 40, nearly half the respondents indicated that their ideal next job would be in the nonprofit sector.² Instead, the skepticism of current board members often keeps the next generation from serving as trustees.³

Why Gen X and Y Are Missing From the Board Room

The Heckscher Foundation for Children recently released a board development grant request for proposals "to address the need for younger (next generation) board members for its grantees and other non-profits serving New York youth." In

their release, the Foundation observed that boards are reluctant to bring on next generation leaders because:⁴

- Next generation leaders lack financial resources, professional status and the connections the board would like from its members;
- Next generation leaders require significant training; and
- Attracting and retaining next generation trustees is difficult when most board members are older.

Echoing the same reasons listed above, board members from other organizations often report an admitted bias to C-suite executives from the Baby Boomer generation when seeking to fill vacancies on their boards.³ Yet the next generation is committed to contributing value to their community by giving their time, money, skills and abilities. Despite skepticism and reluctance, ensuring a vital board now and into the future requires making a place for the next generation at the board table today, and acknowledging that young leaders are also donors, volunteers and active members of the hospital's community with a desire to contribute.

The Importance of Including Young Leadership

Based on interviews with 50 not-for-profit executives, *BoardSource* reported four primary benefits derived from engaging Generations X and Y on not-for-profit boards.³ The first is the passion that individuals from Generations X and Y have for the mission of not-for-profit organizations. Second, younger board members want to connect their passion with results. In his book *Y-Size Your Business*, Jason Dorsey also addresses the driving need Generation Y individuals have for understanding objectives and achieving tangible outcomes.⁵ Third, Gen X and Y want to contribute in meaningful ways. They are willing to invest their time, energy and knowledge of technology, the Web and social media to raise the organization's visibility and build new channels and networks of community support. Finally, younger trustees will have new ideas, perspectives and approaches to offer. Not afraid to ask questions, their new ways of thinking should be embraced as an opportunity to add vibrancy and depth to board deliberations.

The health care landscape is one of rapid change and evolution. Hospital boards need a diverse mix of trustees who can bring together new ideas, concepts and thinking that will help to propel their organizations forward.

Traits for Success

Securing and retaining trustees of any age should begin with an investment in succession planning rather than trustee recruitment or appointment. By assessing the board's leadership strengths, weaknesses and using the hospital's strategic plan to define critical leadership requirements, the board can identify the skills, knowledge and expertise it needs from new trustees. Beyond that, young trustee candidates should demonstrate a readiness to be active board participants and have the maturity and sense of accountability for the responsibilities they will assume as a trustee. They should possess enough confidence to speak up and engage collaboratively and constructively with other trustees in board discussions. The ability to analyze issues, formulate an opinion and clearly articulate a position without defensiveness are characteristics that all trustees, young and old, should possess.

Finding the Next Generation of Leaders

The most common means used by boards to recruit new board members is to simply ask for recommendations from current board members.¹ The result is a gravitation to the familiar, recruiting friends and acquaintances that mirror one's self instead of drawing in younger individuals with leadership

Is Your Board Age Diverse?

With only 14 percent of not-for-profit board members under the age of forty, hospitals may be missing young leaders' passion for service, their energy and ambition, and their fresh ideas and perspectives of the future. If the board is not engaging these young leaders as trustees, hospitals are also missing the chance to contribute to the growth and experience of the next generation of leaders. If there are lingering doubts about the next generation's leadership ability, experience and resources, consider *CNNMoney's* 2011 list of "Fortune's 40 Under 40, Business's Hottest Rising Stars."⁷ The nation's top businesses are benefiting from the leadership of these young C-suite executives. And so is health care, as demonstrated by *Modern Healthcare's* annual "Up & Comers" recognition of health care management executives under age 40. Businesses both inside and outside of health care are recognizing the contribution of young executives and leaders to their success, but boards continue to lag in this area. With an eye on the future, consider these questions:

- How many generations are represented on the board? Are there three or even four generations?
- Are any of the current trustees from Generations X or Y?
- Does the board have a trustee succession plan? Does it include actions for building a pipeline of young trustee talent?
- What's keeping the board from seeking out and including younger members of the community as trustees? Are these barriers valid? What can the board do to overcome them and invest in the next generation of leaders?

talent. But investing now in the effort it may take to recruit young talent to the board will define the hospital's leadership succession and success for years to come.

Hospital boards can start by looking at organizations that employ and/or interact with the talent pool of young leaders. Ask the administrators of agencies and organizations that serve younger populations to recommend responsible, confident and talented young individuals. Organizations to approach might include the Chamber of Commerce, local alumni associations, youth advisory councils, Rotary, AmeriCorps, faith-based organizations and young professionals associations.^{6,3}

Bringing Young Leaders on Board

Investing in governance succession planning is a critical component to creating a pipeline of well-prepared young leaders. Consider sponsoring or co-sponsoring a board training program for your community to ensure that not only the hospital's board, but also the community's other not-for-profit organizations have a growing pool of trained board candidates ready for service. Share with participants the

benefits of board service, educate them about the responsibilities of board members and highlight the need for their leadership skills. Nurture and evaluate the “board readiness” of emerging young leaders by inviting them to serve on task forces or committees, and continue building their board readiness with a strong orientation program. Many new trustees, not just the young, arrive on the board with little or no prior board or health care expertise. A strong orientation program and warm welcome is critical to their successful service on the board.

Take orientation to the next level by linking experienced board members as mentors with new trustees. As a mentor, an experienced board member has the opportunity to offer a new trustee support, background information and insights, recap critical issues and identify subtle nuances. Mentors that successfully engage new trustees can also help prevent potential feelings of isolation that new and particularly younger board members might experience.

Ensuring Intergenerational Success

Generational differences, perspectives and experience all have the potential to create challenges for effective board operations. The first step to avoiding or preventing problems is to ensure that diversifying the age of board members is a

sincere and not token effort. Early identification of opportunities for new trustees’ engagement and participation in the work of the

board is important. An attentive board chair can create opportunities for young trustees to voice their opinions without putting them “on the spot” by asking all board members to express their thoughts and viewpoints on key issues in “round robin” discussions.

No one, young or tenured, should discount the value of fresh perspectives and new ideas that younger trustees can offer. For their part, younger trustees must also give credence to the concerns and experience of more seasoned trustees. All trustees will need to recognize, respect and account for the fact that each age cohort may have a different communication style and varying comfort levels with the use of technology. As with any endeavor, positive communication, attentive listening and mutual respect among trustees are foundational to success.

Defining the Generations

World War II	Born 1922—1945
Baby Boomers	Born 1946—1964
Generation X	Born 1965—1980
Generation Y	Born 1981– 2000

Sources and Additional Information

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