



Research to Reality: Coping with Boardroom Challenges

William P. Ryan

Hauser Center for Nonprofit Organizations

Harvard University

October 22, 2009



HARVARD Kennedy School

Executive Education



Thanks, partners!

- ▶ Altruvest Charitable Services
- ▶ Institute of Corporate Directors
- ▶ PricewaterhouseCoopers Canada Foundation



Today's work

- ▶ **Goal:** Equip you for better governing by improving your 'social literacy.'
- ▶ **Approach:** A background briefing on classic and emerging research to stimulate your thinking about boards and eagerness to improve them.
- ▶ **Game plan:**
 - Four personality disorders of The Group
 - Cheap and simple ways to tame The Group
 - And why your board probably won't bother
 - How to change that
 - Q&A



The good news on groups

- ▶ **Problem solving.** Groups often do better than individuals, as in **survival simulations**.
- ▶ **Sense making.** Groups often do better than individuals, as in **Twelve Angry Men** test.

The bad news on groups

“None of us is as dumb as all of us.”

-- www.despair.com

#1: Groups make us conformists

- ▶ **Conformity:** Members of a group will tend to conform to prevailing opinion, even when they suspect it is wrong.
- ▶ **Scary study:** Asch and the line assessment.
- ▶ **Cheap and easy solutions.** *Examples:*
 - Silent start
 - One-minute essay

#2: We like to obey

- ▶ **Obedience:** Even when they find the direction of an authority repugnant, people will tend to go along.
- ▶ **Scary study:** Milgram and the electroshocks.
- ▶ **Cheap and easy solutions.** *Examples:*
 - Silent start
 - Anonymous input
 - Devil's advocate

#3: Groups make us lazy

- ▶ **Social loafing:** The more people in the group, the less effort each makes towards the group's success.
- ▶ **Scary study:** Ringelmann and the tug of war.
- ▶ **Cheap and easy solutions.** *Example:*
 - Silent starts
 - Paired debriefs

#4: Groups make us extremists

- ▶ **Cascading:** If the group has a critical mass of like-minded members, the group's view ends up more extreme than that of any individual member.

- ▶ **Scary study:** Sunstein and judicial panels.

- ▶ **Cheap and easy solution.** *Example:*
 - Silent start
 - One-minute essay

Why we usually won't bother

Forces at work on *groups* are at work on *field*...

- ✓ **Conformity.** We should do what other boards do, even though we know it's ineffective.

- ✓ **Obedience.** Let's go along with views we don't like -- if high-status or authority figures espouse them.

- ✓ **Social loafing.** Why should our board work harder to improve the sector?

- ✓ **Isomorphism.** When in doubt, imitate!



Changing the odds

- ✓ Use your social literacy to self-manage.
- ✓ Assess the costs of the status quo.
- ✓ Experiment.
- ✓ Keep learning.



More?

Governance Clinic

November 5, 2009 (12:30-1:30) – *or*

November 12, 2009 (12:30-1:30)

www.boardmatch.org

Governance as Leadership Online Course

Google: ["governance as leadership" harvard]

<http://ksgexecprogram.harvard.edu>

william_ryan@harvard.edu