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Upfront

Silence=Bad Strategy: How failing to speak up leads nonprofit boards to persist with mislaid plans. By Jennifer Holloway

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"All those in favor say 'Aye.'"
"Aye."
"Aye."

"Aye." "Aye." "Aye."

Silence=Bad Strategy

How failing to speak up leads nonprofit boards to persist with mislaid plans

In the mid-1990s, Mary Seawell and a small group of public health activists were battling to legalize safe needle exchange in Denver. Needle exchange can prevent the spread of HIV among intravenous drug users and, ultimately, save lives.

But the Denver City Council voted against decriminalization. Frustrated, one outspoken board member suggested that Seawell's organization, People Engaged in Reduction Strategies (PEERS), break Denver's laws and go ahead and provide needle exchange services.

"We weren't getting anywhere with the city, and this guy had really compelling arguments," says Seawell, who was PEERS' vice president at the time. But she and the remaining seven board members didn't feel comfortable with breaking the law. "On the one hand, we wanted to do what it took to promote harm reduction through nee-

dle exchange. But on the other hand, if we lost credibility in the community, we knew we'd never make any changes," she explains.

Despite their concerns, the board members sat through months of meetings about how to enact an illegal needle exchange program without voicing their opinions. "I didn't think anyone else felt the same way I did," says Seawell. "I'd look around and no one was saying, 'We can't do that,'" she adds.

Finally, she spoke her mind. Several others quickly followed, agreeing that they were uncomfortable with behaving unlawfully. Unfortunately, though, the ensuing turmoil between the outspoken board member and the other members marked the beginning of the end of PEERS.

The PEERS group experienced what psychologists call "pluralistic ignorance": when a group of people does or contemplates doing something that virtually no individual in the group endorses. Because no one speaks up, everyone believes that everyone *else* supports the deed, and so goes along with the presumed group consensus.

According to James Westphal and Michael Bednar of the University of Texas at Austin, pluralistic ignorance is one reason why corporate and nonprofit boards may persist with poor strategies. As reported in their June

2005 article in the *Administrative Science Quarterly*, the researchers surveyed outside directors of more than 200 midsized public corporations. They found that when corporations are not performing well, outside directors – whose role, in theory, is to provide an objective, independent assessment of corporate strategy – are likely to keep their doubts to themselves if other members of the board are also not expressing concerns. In the absence of the outside directors' dissent, other directors also hold their tongues, proceeding down a "spiral of silence" while persisting with a suboptimal strategy.

"There is an ingrained tendency for people to look around before they speak up, to see that other people share their concerns," says Westphal. "Each individual doesn't want to be the first to speak up, and so nobody speaks up, and the group continues with practices that each person may have concerns about," he says.

The authors further show that pluralistic ignorance "is most likely to occur when there are demographic differences and few friendships amongst board members," says Westphal. Demographic differences include diversity in gender, education, and work background, and, like weak interpersonal ties, may make it less likely for directors to share their true opinions.

It is this discovery that Benoît Monin, a social psychologist at Stanford University who also studies pluralistic ignorance, finds most "thought-provoking." Silence on boards "is thought to be the result of group cohesiveness," Monin wrote in an e-mail. Yet these authors find the opposite: Social cohesion helps break the silence. Both Monin and the authors conclude that social ties can either amplify or

dampen the expression of doubt, although researchers have not yet identified when each process takes place.

Until they do, how can nonprofit boards avoid pluralistic ignorance? Westphal offers two techniques. “Raise awareness about pluralistic ignorance,”

he first suggests. “If educated [about pluralistic ignorance], people are less likely to fall prey to it,” he says. Second, “use group decision-making aids such as devil’s advocates, who are there to voice contrary opinions. Or have individuals anonymously write down the

pros and cons of a particular strategy. A group leader then reads those concerns to the group,” says Westphal.

“The underpinning of this whole bias is that there are some reservations about expressing the minority opinion,” he adds. —*Jennifer Holloway*

Elusive Blue Ribbons

Why winning foundations’ special awards is difficult, and how it can be made easier

Foundations are increasingly granting well-publicized and generous special awards in the areas they want to promote. Yet few nonprofits bother to apply for these awards. And among the applicants, far fewer succeed.

My recent survey of 153 Chicago-based nonprofit organizations that have applied to special awards programs uncovered several obstacles in the pursuit of foundations’ prizes. First, nonprofits have difficulty finding out about the awards in the first place. Fundraising databases and directories either do not contain information about special awards programs or do not describe the programs clearly. In lieu of these links, nonprofits must directly rely on the award-sponsoring foundations to notify them, or on word of mouth.

Once in the know, nonprofits then face an idiosyncratic and arduous process. While most of organized philanthropy gives grants in response to letters and proposals drafted according to the preferences and skills of its potential beneficiaries, special awards require that the nonprofit (or a nominator) complete

an application designed by the foundation. My survey showed that winners and nonwinners alike often found the questions on the application to be irrelevant and unclear.

Completing special awards applications is also time-intensive. Nonprofits are likely to spend at least five to 10 hours completing the application. And not even all winners report that it was very worthwhile to spend the time and effort applying for their award.

Finally, many nonprofits perceive that the selection process is not quite fair. Some respondents say that the granting of awards is “more political than cultural,” that the process is “too time-consuming, with no objective criteria,” or that awards tend to focus on well-established nonprofits rather than on organizations more needy of attention and funding – in other words, glory goes to the glamorous. In addition, the finding that

winners are far more likely than nonwinners to learn about an award through a conversation with the sponsoring foundation suggests why losers may cry foul.

Foundations have a lot to gain by sponsoring awards programs, including raising awareness about an issue, supporting narrow programs with measurable outcomes, and drawing media and sector attention to the organization. My results suggest a few ways that special awards programs could be improved: (1) Actively solicit applications from an eclectic and encompassing population of organizations; (2) provide relevant, sufficient, and clear questions on the application form; (3) publish a list of the top runners-up, so that more than just winners receive publicity; and (4) tell applicants why the winner won, so that they may emulate its excellent qualities.

In the end, nonprofits expect the awards process to be educational as well as celebratory, with hopes that it will include opportunities not just for accolades, but also for the strengthening of winners and nonwinners alike. Foundations would be wise to meet those expectations.

—*Ellen Benjamin, DePaul University*

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