# Building Sustainability for Nonprofit Organizations

## Leadership Skills

NEWLEVEL
G R O U P

*Take The Next Step*

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Building Sustainability for Nonprofit Organizations

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# Welcome

## Building Nonprofit Organizations That Will Last

Increasingly, funders and supporters are requiring nonprofits to demonstrate the sustainability of their efforts. But what does that mean and how is it accomplished? Identifying the elements and processes that make an organization strong and charting a clear course for implementation are the first steps.

This workshops focuses on the leadership skills needed to guide and strengthen nonprofit organizations.

### _Leadership Skills_

### _Community Foundation of Jackson Hole_

January, 2015

# ✓ Learning Objectives

■ Explore the nature and requirements of good leadership

■ Identify practices high-functioning organizations employ and explore areas your organization can strengthen

■ Discover what other organizations are doing to strengthen their leadership skills through interactive peer discussion

■ Find answers to your questions about leadership skills and gain practical information and tools you can put into immediate action
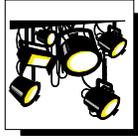
# Purpose & Agenda:

## Meeting Purpose

For Board members and staff of nonprofit organizations to understand the importance of leadership and clarify the respective roles learn how to create systems and cultures that increase the effectiveness of their board, staff, and volunteers while building the sustainability of their organizations.

## Agenda

*Welcome and Getting Started:*

- Objectives, Agenda, Ground Rules
- Introductions

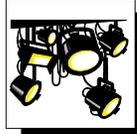Leadership vs. Management

Leadership styles

Lead More Manage Less

Building a culture

Motivation – getting the most out of board, staff, and volunteers

*Wrap up*

- Next Steps
- Evaluation

# Traits of Leaders vs. Managers

## Managers

### Have subordinates

By definition, managers have subordinates - unless their title is honorary and given as a mark of seniority, in which case the title is a misnomer and their power over others is other than formal authority.

### Authoritarian, transactional style

Managers have a position of authority vested in them by the company, and their subordinates work for them and largely do as they are told. Management style is transactional, in that the manager tells the subordinate what to do, and the subordinate does this not because they are a blind robot, but because they have been promised a reward (at minimum their salary) for doing so.

### Work focus

Managers are paid to get things done (they are subordinates too), often within tight constraints of time and money. They thus naturally pass on this work focus to their subordinates.

### Seek comfort

An interesting research finding about managers is that they tend to come from stable home backgrounds and led relatively normal and comfortable lives. This leads them to be relatively risk-averse and they will seek to avoid conflict where possible. In terms of people, they generally like to run a 'happy ship'.

## Leaders

### Have followers

Leaders do not have subordinates - at least not when they are leading. Many organizational leaders do have subordinates, but only because they are also managers. But when they want to lead, they have to give up formal authoritarian control, because to lead is to have followers, and following is always a voluntary activity.

### Charismatic, transformational style

Telling people what to do does not inspire them to follow you. You have to appeal to them, showing how following them will lead to their hearts' desire. They must want to follow you enough to stop what they are doing and perhaps walk into danger and situations that they would not normally consider risking. Leaders with a stronger charisma find it easier to attract people to their cause. As a part of their persuasion they typically promise transformational benefits, such that their followers will not just receive extrinsic rewards but will somehow become better people.

**People focus**

Although many leaders have a charismatic style to some extent, this does not require a loud personality. They are always good with people, and quiet styles that give credit to others (and takes blame on themselves) are very effective at creating the loyalty that great leaders engender.

Although leaders are good with people, this does not mean they are friendly with them. In order to keep the mystique of leadership, they often retain a degree of separation and aloofness.

This does not mean that leaders do not pay attention to tasks - in fact they are often very achievement-focused. What they do realize, however, is the importance of enthusing others to work towards their vision.

**Seek risk**

In the same study that showed managers as risk-averse, leaders appeared as risk-seeking, although they are not blind thrill-seekers. When pursuing their vision, they consider it natural to encounter problems and hurdles that must be overcome along the way. They are thus comfortable with risk and will see routes that others avoid as potential opportunities for advantage and will happily break rules in order to get things done.

| Subject | Leader | Manager |
|---------|--------|---------|
| Essence | Change | Stability |
| Focus | Leading people | Managing work |
| Have | Followers | Subordinates |
| Horizon | Long-term | Short-term |
| Seeks | Vision | Objectives |
| Approach | Sets direction | Plans detail |
| Decision | Facilitates | Makes |
| Power | Personal charisma | Formal authority |
| Appeal to | Heart | Head |
| Energy | Passion | Control |
| Dynamic | Proactive | Reactive |
| Persuasion | Sell | Tell |
| Style | Transformational | Transactional |

| | | |
|---|---|---|
| Exchange | Excitement for work | Money for work |
| Likes | Striving | Action |
| Wants | Achievement | Results |
| Risk | Takes | Minimizes |
| Rules | Breaks | Makes |
| Conflict | Uses | Avoids |
| Direction | New roads | Existing roads |
| Truth | Seeks | Establishes |
| Concern | What is right | Being right |
| Credit | Gives | Takes |
| Blame | Takes | Blames |

# Leadership Test

Most people know intuitively what effective leadership is and respect strong leaders when they work with them. But even if they understand what good leadership is, they often don't practice it themselves. This distinction between what you know and what you do is critical. After all, leadership is about action and results. It's about how we behave day in, day out.

For each pair, check the box that best describes your style.

| A | | B |
|---|---|---|
| Concentrate on the task to get it done | or | Question whether it's the right task |
| Form your own opinion, then listen to others | or | Listen carefully to others' opinions first |
| Avoid or minimize risks | or | Take risks |
| Get impatient for urgent progress | or | Make steady progress toward your goal |
| Concentrate more on the task | or | Concentrate more on relationships |
| Worry about what you haven't achieved | or | Take pride in what you've already achieved |
| Keep your excitement about the task private | or | Show your excitement about a task |
| Create adventure | or | Create a plan you can control |
| Keep your points of view to yourself | or | Persuade people to take your point of view |
| Often surprise people | or | Rarely surprise people |

# Leadership Test - Scoring

**Check your selections against the answers below.**

Give yourself **2** points for every Manager answer

Give yourself **4** points for every Leader answer

| | **A** | | | **B** |
|---|---|---|---|---|
| M | Concentrate on the task to get it done | or | L | Question whether it's the right task |
| L | Form your own opinion, then listen to others | or | M | Listen carefully to others' opinions first |
| M | Avoid or minimize risks | or | L | Take risks |
| L | Get impatient for urgent progress | or | M | Make steady progress toward your goal |
| M | Concentrate more on the task | or | L | Concentrate more on relationships |
| L | Worry about what you haven't achieved | or | M | Take pride in what you've already achieved |
| M | Keep your excitement about the task private | or | L | Show your excitement about a task |
| L | Create adventure | or | M | Create a plan you can control |
| M | Keep your points of view to yourself | or | L | Persuade people to take your point of view |
| L | Often surprise people | or | M | Rarely surprise people |

START — MANAGER — LEADER

20 pts      30pts      40pts

# Leadership Styles

### Autocratic Leadership

Autocratic leaders provide clear expectations for what needs to be done, when it should be done, and how it should be done. There is also a clear division between the leader and the followers. Autocratic leaders make decisions independently with little or no input from the rest of the group. Researchers found that decision-making was less creative under authoritarian leadership, and that it is more difficult to move from an authoritarian style to a democratic style than vice versa. Abuse of this style is usually viewed as controlling, bossy, and dictatorial.

Autocratic leadership is best applied to situations where there is little time for group decision-making or where the leader is the most knowledgeable member of the group.

### Participative Leadership

Participative leaders accept input from one or more group members when making decisions and solving problems, but the leader retains the final say when choices are made. Group members tend to be encouraged and motivated by this style of leadership. This style of leadership often leads to more effective and accurate decisions, since no leader can be an expert in all areas. Input from group members with specialized knowledge and expertise creates a more complete basis for decision-making.

### Delegative Leadership

Delegative leaders allow group members to make decisions. This style is best used in situations where the leader needs to rely on qualified employees. The leader cannot be an expert in all situations, which is why it is important to delegate certain tasks out to knowledgeable and trustworthy employees.


Remember, good leaders utilize all three styles depending upon the situation. For example:

- Use an **authoritative style** if a group member lacks knowledge about a certain procedure.

- Use a **participative style** with group members who understand the objectives and their role in the task.

- Use a **delegative style** if the group member knows more than you do about the task.

Lewin, K., Lippit, R. and White, R.K. (1939). Patterns of aggressive behavior in experimentally created social climates. *Journal of Social Psychology, 10,* 271-301
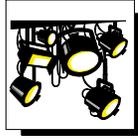
# Leadership: Building a Strong Culture

What is culture?

How do you create a culture in which board, staff, and volunteers contribute to their fullest and want to stay?

# Motivation: What Does it Take?

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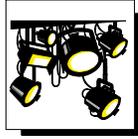- 
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# Tool: Recruit Right

## 3 Keys to Recruitment

1.

2.

3.

# Questions to Ask Board, Staff, & Volunteers

In the book, *First Break All the Rules,* authors Coffman and Buckingham identified the elements of an organization directly linked to retention, productivity, success, and client satisfaction.

If people can answer "strongly agree" to each of the questions, you are well on your way to realizing a motivated team.

1. Do I know what is expected of me?
2. Do I have the resources I need to do the right?
3. Do I have the opportunity to do what I do best?
4. Have I received recognition or praise for doing good work?
5. Do my colleagues seem to care about me as a person?
6. Does someone in charge encourage my development?
7. Do my opinions see to count?
8. Does the mission/purpose of the organization make me feel my work is important?
9. Are my co-workers & colleagues committed to doing quality work?
10. In the last six months, has someone talked to me about my progress?
11. This last year, have I had the opportunity to learn and grow?
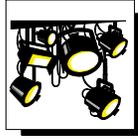
# It's All about You/Es Todo de Ti

It's All About / Es Todo de:

_____date/fecha_____

Employee/nombre

- What is your favorite soda flavor? ¿Qué es su refresco favorito?
- What is your favorite candy? ¿Qué es su dulce favorito?
- What is your favorite color? ¿Qué color prefiere?
- What is your favorite restaurant? ¿Cuál es su restaurante favorito?
- What is your favorite flavor of ice cream/sorbet? ¿Qué es su sabor favorito de helado/sorbete?
- What type of flower do you like? ¿Qué tipo de flor le gusta?
- What is your favorite kind of cookie? ¿Qué tipo de panecillo dulce prefiere?
- What type of food do you like? ¿Qué tipo de comida prefiere?
- What is your hobby? ¿Qué es su chifladura?
- What is your favorite snack? ¿Qué clasé de antojito prefiere?
- Do you collect anything special? ¿Collecciona algo de especial?
- What is your favorite subject to read about? ¿Qué es su asunto favorito sobre que leer?
- What is your favorite type of music? ¿Cuál es su tipo de música favorita?
- What is your favorite store? ¿Qué tienda o almacen prefiere?
- What is your favorite coffee or special beverage?  ¿Cuál café o bebida especial prefiere?
- If you could treat yourself to a gift under $25.00, what would it be?
- ¿Si pudiera regalarse un presente que cuesta menos de 25$, que seria?
- Would you prefer: 1) private recognition, 2) semi-private recognition, 3) public recognition, or 4) no preference?
- ¿Qué prefiere – reconocimiento 1) privado, 2) semi-privado, 3) publico, o 4) sin preferéncia?

- ✓ Please complete this form and turn in to your manager
- ✓ Favor de llenar este papel y deselo al manejo
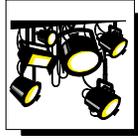
# How Can Boards Govern More and Manage Less?

- Develop a strategic plan and adhere to it.

- Link the current agenda to the strategic agenda.

- Monitor the success of the organization's initiatives.

- Develop clear expectations and a plan of action for the board of Directors.

- Encourage the chief executive to think strategically.

- Prepare materials and structure meetings to direct the board's attention to matters of policy and strategy.

- Develop and use a consent agenda.

- Determine priorities and organize the agenda accordingly.

- Assess the performance of the board on a regular basis.

- Focus on policy objectives, organizational strategy, and the relationship between budgets and priorities.

- Assess the chief executive.

# Building Effective Teams

## TRUST

**Members of teams with an absence of trust...**
- Conceal their weaknesses and mistakes from one another
- Hesitate to ask for help or provide constructive feedback
- Hesitate to offer help outside their own areas of responsibility
- Jump to conclusions about the intentions and aptitudes of others without attempting to clarify them
- Fail to recognize and tap into one another's skills and experiences
- Waste time and energy managing their behaviors for effect
- Hold grudges
- Dread meetings and find reasons to avoid spending time together

**Members of trusting teams...**
- Admit weaknesses and mistakes
- Ask for help
- Accept questions and input about their areas of responsibility
- Give one another the benefit of the doubt before arriving at a negative conclusion
- Take risks in offering feedback and assistance
- Appreciate and tap into one another's skills and experiences
- Focus time and energy on important issues, not politics
- Offer and accept apologies without hesitation
- Look forward to meetings and other opportunities to work as a group

## CONSTRUCTIVE CONFLICT

**Teams that fear conflict...**
- Have boring meetings
- Create environments where back-channel politics and personal attacks thrive
- Ignore controversial topics that are critical to success
- Fail to tap into all the opinions and perspectives of team members
- Waste time and energy with posturing and interpersonal risk management

**Teams that engage in conflict...**
- Have lively, interesting meetings
- Extract and exploit the ideas of all team members
- Solve real problems quickly
- Minimize politics
- Put critical topics on the table for discussion

# COMMITMENT

**A team that fails to commit...**
- Creates ambiguity among the team members about direction and priorities
- Watches windows of opportunity close due to excessive analysis and unnecessary delay
- Breeds lack of confidence and fear of failure
- Revisits discussions and decisions again and again
- Encourages second-guessing among team members

**A team that commits...**
- Creates clarity around direction and priorities
- Aligns the entire board around common objectives
- Develops an ability to learn from mistakes
- Takes advantage of opportunities before competitors do
- Moves forward without hesitation
- Changes direction without hesitation or guilt

# ACCOUNTABILITY

**A team that avoids accountability...**
- Creates resentment among team members who have different standards of performance
- Encourages mediocrity
- Misses deadlines and key deliverables
- Places an undue burden on the leader as the sole source of discipline

**A team that holds one another accountable...**
- Ensures that poor performers feel pressure to improve
- Identifies potential problems quickly by questioning one another's approaches without hesitation
- Establishes respect among team members who are held to the same high standards
- Avoids excessive bureaucracy around performance management and corrective action

# Tool: Assessment for Building Effective Teams

Use the scale below to indicate how each statement applies to your team.

3 = Usually     2 = Sometimes    1 = Rarely

It is important to evaluate the statements honestly and without over-thinking your answers.

___ 1. Team members are passionate and unguarded in their discussion of issues.

___ 2. Team members call out one another's unproductive behaviors when they occur.

___ 3. Team members know what their peers are working on and how they contribute to the good of the organization.

___ 4. Team members quickly and genuinely apologize to one another when they say or do something inappropriate or possibly damaging to the team.

___ 5. Team members willingly make sacrifices (such as budget, turf, staff resources) in their committees or areas of expertise for the good of the organization.

___ 6. Team members openly admit their weaknesses and mistakes.

___ 7. Team meetings are compelling, and not boring.

___ 8. Team members leave meetings confident that their peers are completely committed to the decisions that were agreed on, even if there was initial disagreement.

___ 9. Team members express disappointment at the failure to achieve board goals.

___ 10. During meetings, the most important-and difficult-issues are put on the table to be resolved.

___11. Team members are genuinely concerned about the prospect of letting down their peers.

___12. Team members care about one another's personal lives and are comfortable inquiring about them.

___13. Team members end discussions with clear and specific resolutions and calls to action.

___14. Team members challenge one another about their plans and approaches.

___15. Team members are slow to seek credit for their own contributions, but quick to point out those of others.

# Tool: Assessment Scoring

Combine your scores for the preceding statements as indicated below.

**Function 1:**

Trust

Statement 4: _____

Statement 6: _____

Statement 12: _____

**Total:** _____

**Function 2:**

Constructive Conflict

Statement 1: _____

Statement 7: _____

Statement 10: _____

**Total:** _____

**Function 3:**

Commitment

Statement 3: _____

Statement 8: _____

Statement 13: _____

**Total:** _____

**Function 4:**

Accountability

Statement 2: _____

Statement 11: _____

Statement 14: _____

**Total:** _____

**Function 5:**

Results

Statement 5: _____

Statement 9: _____

Statement 15: _____

**Total:** _____

A score of 8 or 9 is a probable indication that the function is not a problem for your board

A score of 6 or 7 indicates that the function could be a problem

A score of 3 to 5 is probably an indication that there is dysfunction that needs to be addressed

Regardless of your scores, it is important to keep in mind that every team needs constant work, because without it, even the best ones deviate toward dysfunction.

# Recommended Reading List

- <u>Begging for Change</u>, by Robert Egger, HarperCollins (www.harpercollins.com)

- <u>Boards That Make a Difference,</u> by John Carver, Josey-Bass 2nd Ed.

- <u>Self-Assessment Tool for Non-Profit Organizations</u>, by Peter Drucker, The Peter Drucker Foundation for Non-Profit Management

- <u>Welcome to the Board</u>, by Fisher Howe, Josey-Bass

- <u>The Nonprofit Answer Book: Practical Guide for Board Members and Chief Executives</u>, by Andringa and Engstrom (available through Boardsource.org)

- <u>The Nonprofit Answer Book II: Beyond the Basics</u>, by R. Andringa, (available through Boardsource.org)

- <u>Called to Serve: Creating and Nurturing the Effective Volunteer Board</u>, by Max De Pree

- <u>Governing Boards</u> by Cyril O. Houle

- <u>Beyond Profit</u> by Fred Setterberg and Kary Schulman

- <u>The Nonprofit Organization: An Operating Manual</u> by Thomas Wolf

- <u>The Knowing-Doing Gap</u> by Jeffery Pfeffer and Robert Sutton

- <u>Governance as Leadership</u> by Richard Chiat, William Ryan, Barbara Taylor

- <u>Fundraising for Non-Profits</u> by P. Burke Keegan, Harper-Collins (www.harpercollins.com)

# Capture your notes here

*Take the Next Step*

## About NewLevel Group...

### Who we are

NewLevel Group supports the work of social impact organizations and their leaders in advancing missions that benefit society, our environment, and the economy. Our team is made up of seasoned professionals who look at challenges from various perspectives honed from decades of experience in the business and nonprofit sectors. We plan as well as implement, never losing sight of our goal to deliver your desired results.

### What we do

First and foremost, we listen. We listen to you, your board, your clients, and your colleagues to fully understand the challenges you face. Then, we form a team that will partner with you to identify your goals, outline strategies to achieve them, and, if needed, work with you to implement the tactics.

### How we do it

Our approach to helping organizations improve their results reflects our shared values of collaboration, commitment, and community. We are different from other consulting and management firms in several significant ways:

- We work collaboratively; not just treating symptoms, but finding solutions for the underlying causes.
- We implement; we don't just create pretty plans, but roll up our sleeves to get the job done.
- We're focused on results; a good process is important, but the outcome is what really matters.

**Management and Consulting for Social Impact Organizations**

Nonprofit and Foundation Management ● Governance & Board Development
Strategic Planning ● Marketing Planning & Implementation
Communications Programs ● Meeting Facilitation
Staff Training ● Organizational Effectiveness

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