

# READY FOR TOMORROW:

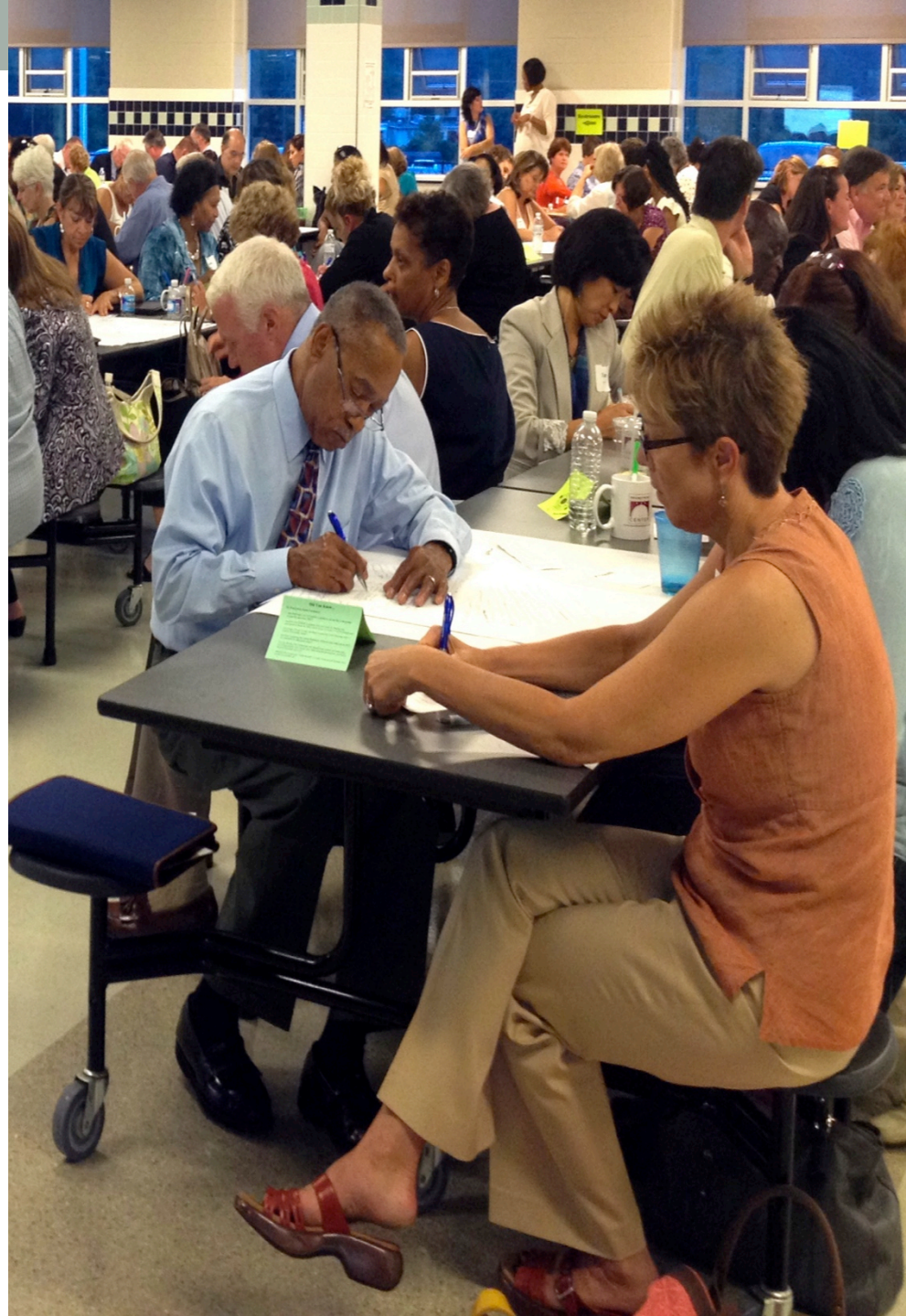
DEVELOPING STRONG LEADERS AT EVERY LEVEL OF YOUR ORGANIZATION

Meghan McVety, MPA, Capacity for Change, LLC

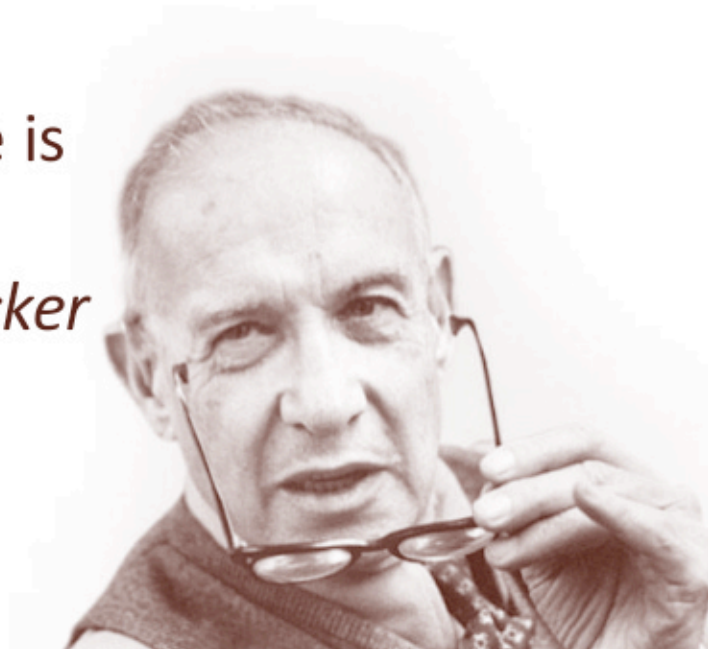


## Capacity for Change

Helps nonprofit, philanthropic, government, community-based and other social value organizations to design and implement mission-driven, innovative and sustainable strategies, partnerships and business models



“The best way to  
predict the future is  
to create it.”  
– *Dr. Peter F. Drucker*



# Exploring Today

- **Framing and Understanding:**  
Understanding leadership and what it means to build a culture that supports professional growth
- **Tools and Approaches:**  
For maximizing professional and leadership development



Your Questions





# LEADERSHIP FOR TOMORROW

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What is it?

# What Is Leadership?

- The ability of a person to get the right things done right at the right time with the help of the right people.
- Sources of leadership:
  - Formal: position or job
  - Informal: reputation and earned influence
- Are leaders born or are they developed? **Yes.**



## Management

Coping with day-to-day operations to bring a degree of order and stability

### Plans and budgets:

- Establishes detailed steps and timetables
- Allocates resources

### Organizes and staffs:

- Establishes a structure
- Delegates responsibility
- Provides policies and procedures
- Creates methods or systems

### Controls and problem solves:

- Monitors results
- Responds to changes

### Produces degree of predictability and order:

- Produces key results

## Leadership

Establishing a vision, motivating others, challenging the status quo, and moving people toward a goal

### Establishes a direction:

- Develops a vision
- Identifies strategies

### Aligns people:

- Communicates the direction
- Influences the creation of teams and coalitions
- Develops new leaders

### Engages, motivates, and inspires:

- Brings in new voices
- Satisfies basic needs and sets aspirations
- Energizes people

### Produces change, often to a dramatic degree:

- Fosters new approaches and responses

# Yesterday's & Tomorrow's Leader

Yesterday's Leader	Tomorrow's Leader
Power resides with leader	Power is shared
Manage through authority and reporting relationships	Manage through influence
Centralized decision making	Collaborative decision making across functions
Ethnocentric and monocultural	Ethnorelative and multicultural
Prescribed policies for everyone	Flexible and adaptable policies
Work and personal life separate	Blurred and blended personal and work life
Expert	Orchestrators of expertise
Accountability	Stewardship



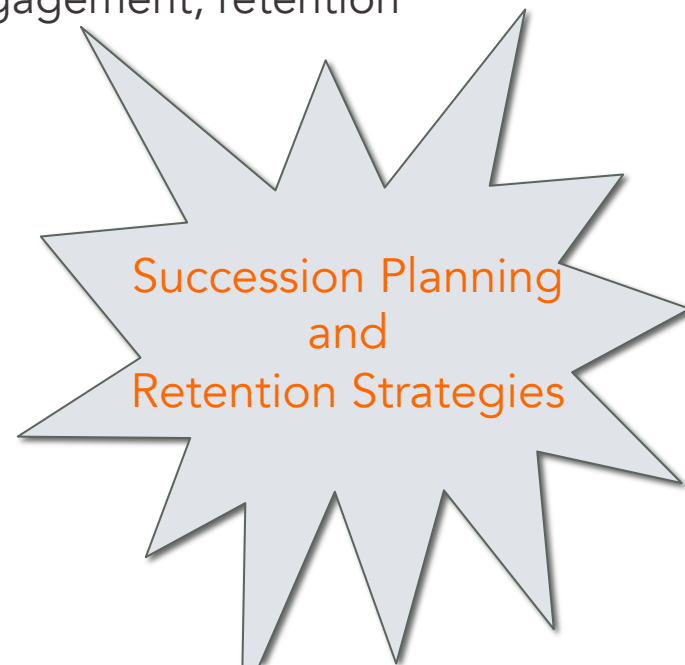
# Preparing New Leaders

## Why?

- ✓ Average job tenure – 4.6 years
- ✓ Opportunities emerge and disappear quickly
- ✓ New threats emerge continuously
- ✓ New and emerging leaders have enthusiasm, energy, and fresh ideas worth harnessing
- ✓ Benefits: increased alignment, responsiveness, engagement, retention

## How?

1. Learn and teach what leadership means at all levels
2. Delegate decisions and mandate a connection to strategies
3. Foster a culture that welcomes and nurtures emerging leaders



## Your Question

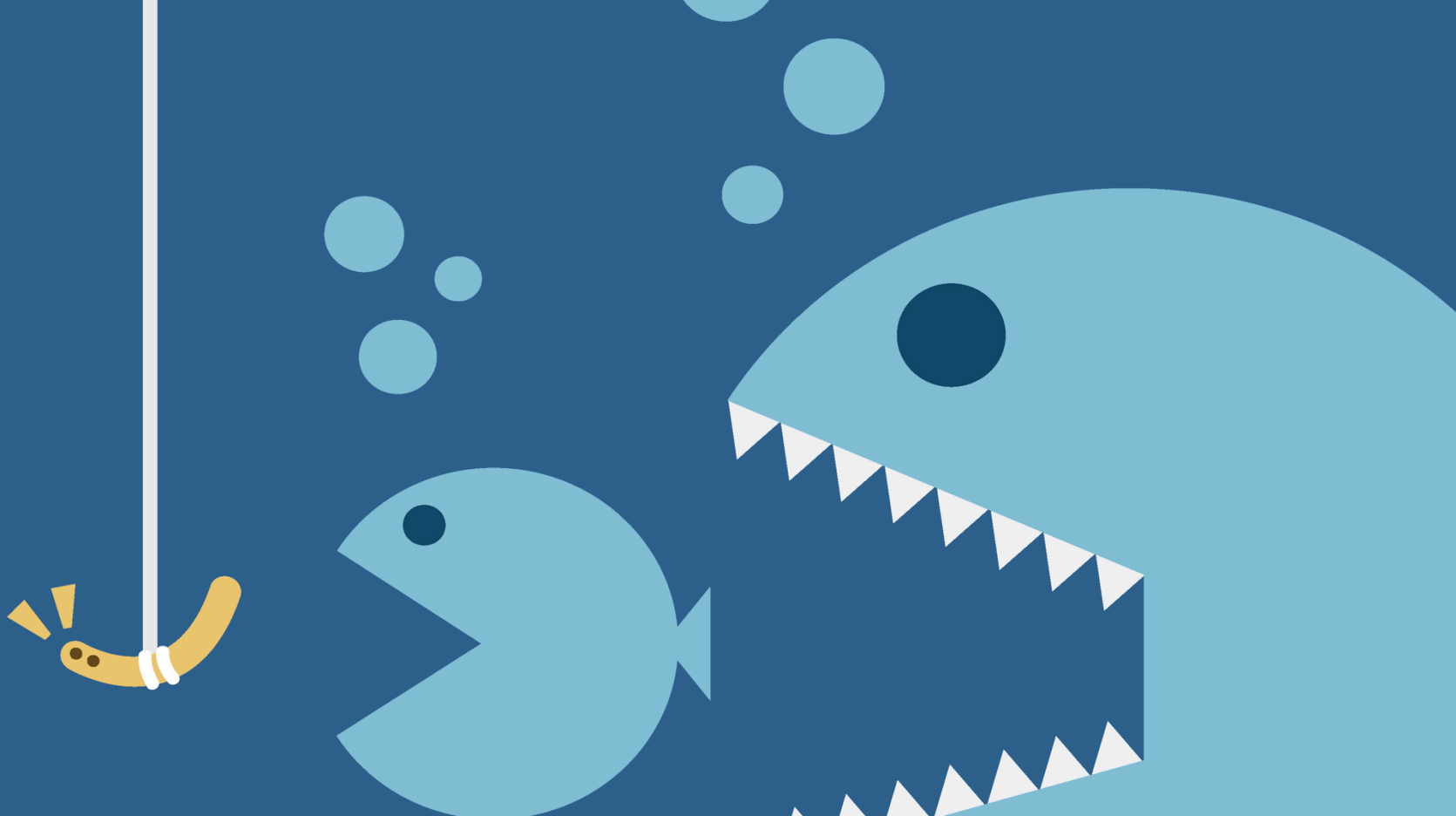
Do spaces for practicing leadership exist?  
Or is it just trial by fire?



# FOSTER A CULTURE OF LEARNING & GROWTH

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If you pay attention to nothing else...



## Strategy

Structure	Human Processes	Technical Processes
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Organizational Culture





- ✓ Philosophy of the organization
- ✓ Your culture will help or hurt you
- ✓ Define it, nurture it, protect it
- ✓ Use it as a screen for recruiting and orienting new people

## How culture is created



## Your Question

What are some suggestions you can give current and emerging leaders on how to be a positive change agent to shift the tide in a culture that may be failing?



# Building a Culture that Fosters Learning and Growth

1. **Trust:** Foster trust
2. **Core value:** Name learning as an organizational core value
3. **Knowledge:** Share knowledge
4. **Learning experiences:** Provide learning experiences (in-house and external; budget for external learning, and ensure people use the budget)
5. **Individual development objectives:** Identify individual development objectives that build on talents and strengths, and fill gaps in areas that need additional support and training
6. **Failure:** Embrace failure if it leads to greater knowledge



"I have not failed. I've just found 10,000 ways that won't work."  
- Thomas Edison



# Your Questions

How can we make the case to our organization to pay for professional development?

What are some ways an organization can develop leaders and essential skills when they have limited resources?

I'm especially interested in learning about creative (not necessarily monetary) approaches to retaining staff.



WHAT'S THE STATE OF  
YOUR CULTURE?

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# TOOLS AND APPROACHES

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For maximizing professional and leadership  
development

Get the right people in  
the right places doing  
the right things.



We found, instead, that they first got the right people on the bus, the wrong people off the bus, and the right people in the right seats. And then they figured out where to drive it.



# Steps for Supporting Professional Growth and Leadership Development

- I. **Know** your organization's needs
- II. **Match** people with your organization's needs
- III. **Manage** effectively
- IV. **Nurture**, facilitate, and celebrate personal accomplishments

**“ true leaders don't  
create followers,  
they create more  
leaders ”**

quotescover.com

# I. Your Organization's Needs

Needs Assessment: What are your organization's needs in relation to:

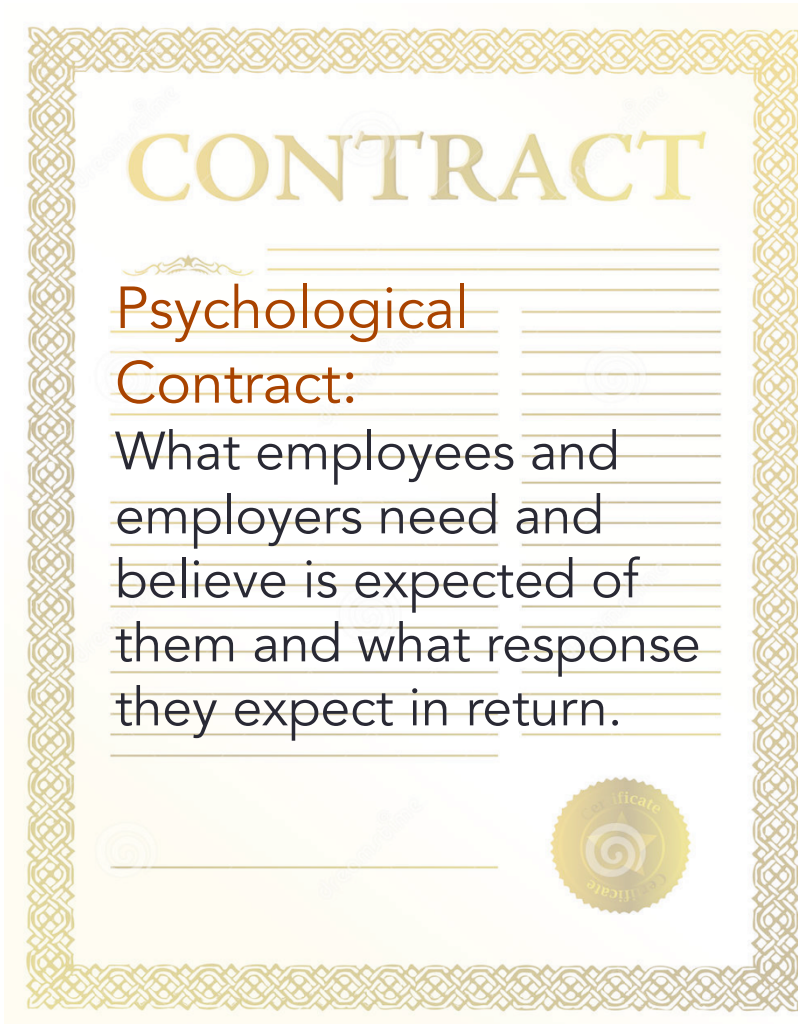
- ☑ Skills
- ☑ Team members
- ☑ Culture
- ☑ What you need now
- ☑ What you'll need in the future



Tomorrow's Leader
Power is shared
Manage through influence
Collaborative decision making across functions
Ethnorelative and multicultural
Flexible and adaptable policies
Blurred and blended personal and work life
Orchestrators of expertise
Stewardship



# II. Matching People and the Organization



# How Is the Psychological Contract Formed?

- Rarely articulated or communicated directly
- Instead, hints are dropped at different stages (intentionally and consistently...or not):
  - Recruitment and hiring process
  - Orientation
  - Day-to-day interactions with colleagues
  - Performance reviews
- **Evolves over time**
  - Changes over time as organization's needs and employees' needs change
  - Dynamic contract that needs to be constantly renegotiated

## Key Factor – Expectations for Different Career Stages

1. Early work experience
2. Development
3. Maturity

### Youth Center Psychological Contract

What it expects from people	What people can expect from the youth center
<ul style="list-style-type: none"><li>• Hard-working</li><li>• Standard of excellence</li><li>• Good sense of humor</li><li>• Put in as many hours as it takes with a flexible schedule</li></ul>	<ul style="list-style-type: none"><li>• Get paid as much as can be afforded (not as little as can get away with)</li><li>• Camaraderie</li><li>• Personally rewarding work</li></ul>

Emphasis on the team reaching excellence; no big promises about rewards

### Ernst & Young Psychological Contract

What it expects from people	What people can expect from E&Y
<ul style="list-style-type: none"><li>• Succeed for clients</li><li>• Energy, enthusiasm, stretch and excel yourself</li><li>• Take charge and personal responsibility for your career</li></ul>	<ul style="list-style-type: none"><li>• Recognize and reward individual's contribution</li><li>• Continuous learning opportunities</li><li>• Access to personal and career growth</li></ul>

Success achieved by the individual, which determines rewards

# Expectations Shaped by Society

## Bureaucracy

- Very structured in rules and hierarchy
- Everyone knows their specific role, they specialize in that role and know little or very little about the roles of coworkers
- Paternalistic approach
- Takes care of “loyal servants”

## Adhocracy

- Organic structure
- Hierarchy barely exists
- Democratic nature
- Complex and dynamic organizational form
- Boundary-less with emphasis on use of knowledge
- Range of employer-employee relations and psychological contracts for different employee groups



vs.



## Your Question

How do we help  
leaders  
accustomed to  
traditional top  
down management  
embrace more  
egalitarian, nimble  
models?





# What's In Your Contract?

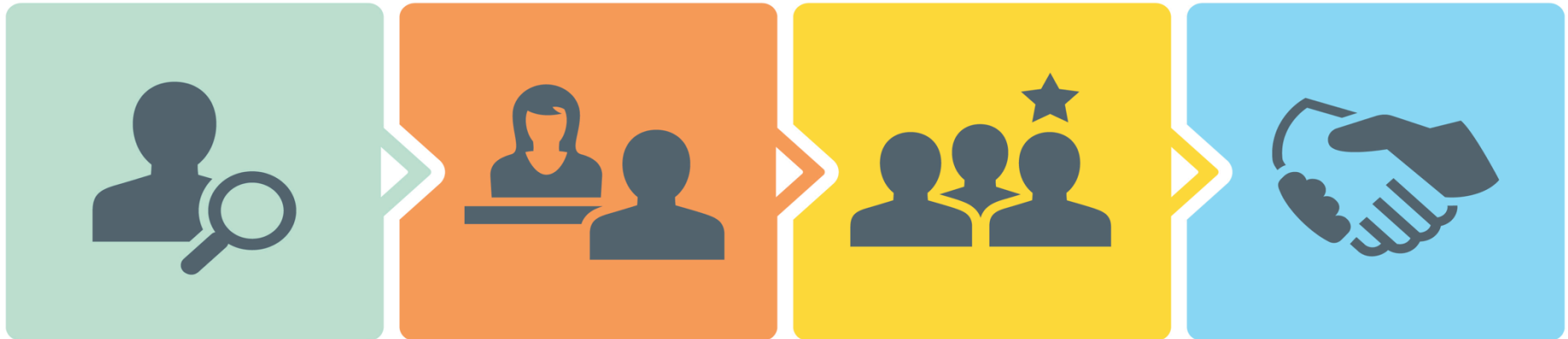
Your Organization	
What your organization expects from people	What people can expect from your organization

- How are you communicating your expectations and learning what people expect of you?
- How are you keeping up with others' expectations?

# Hiring, Recruiting and Orienting

Be intentional and methodical about every element that is shaping the psychological contract:

1. What's in your external communications?
2. What's in your job descriptions?
3. Where and how do you recruit?
4. What's your hiring process? (who is involved, steps, questions you ask, commitment to patience)
5. How are people brought on-board?



# III. Manage Effectively

- Communication
- Change management
- Conflict resolution
- Project management
- Priority management
- Facilitation
- Delegation*
- Effective meetings
- Aligning the structure

“Good management is the art of making problems so interesting and their solutions so constructive that everyone wants to get to work and deal with them.”

- Paul Hawken



One issue that I face is empowering direct service staff members to take initiative and leadership outside of their specifically identified responsibilities. This probably also relates to my own **struggle to delegate** which I'd also love to discuss.

# IV. Nurture, Facilitate, and Celebrate Personal Accomplishment

- ❑ Skills and professional development opportunities
  - Cross-team/function experience
  - Opportunities to practice leadership
    - Taking on roles during absences
    - Involving people in processes and decisions
    - Leading projects, initiatives, meetings
- ❑ Team-building
- ❑ Coaching
- ❑ Performance reviews\*
- ❑ Self-care
- ❑ Celebrations



\* Non-monetary retention strategies

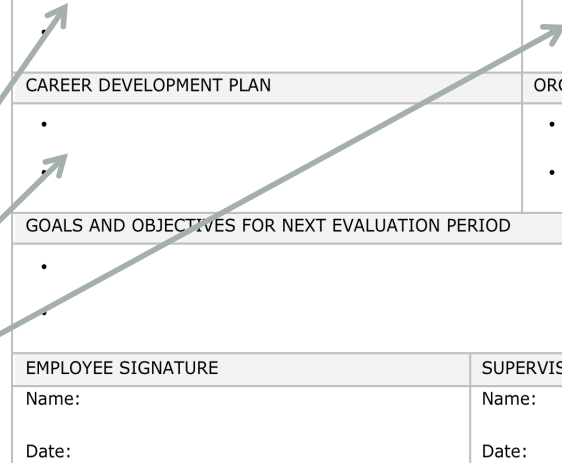
“Our emerging workforce is not interested in command-and-control leadership. They don’t want to do things because I said so; they want to do things because they want to do them.”  
- Irene Rosenfeld, CEO of Mondelez International

# Performance Reviews

- Make it happen
- Make it a productive, positive process to engage and encourage people to reach their goals
- Think like a coach, not a judge
- Identify skills and needs of the individual and the organization, and match them
- Check-in regularly
- Define clear goals

## INDIVIDUAL PERFORMANCE PLAN

Employee Name: Title:	Review for the period:
Supervisor: Title:	Date:
GOALS AND OBJECTIVES DURING THIS REVIEW PERIOD	
• •	
ACHIEVEMENTS, ACCOMPLISHMENTS, AND RESPONSIBILITIES <i>(completed by employee)</i>	
• •	
REVIEW: ASSESSMENT OF PROGRESS TOWARD GOALS <i>(completed by supervisor)</i>	
• •	
AREAS OF STRENGTH	AREAS FOR DEVELOPMENT
• •	• •
CAREER DEVELOPMENT PLAN	ORGANIZATION WILL PROVIDE THIS SUPPORT
• •	• •
GOALS AND OBJECTIVES FOR NEXT EVALUATION PERIOD	
• •	
EMPLOYEE SIGNATURE	SUPERVISOR SIGNATURE
Name:	Name:
Date:	Date:



# Everything Is Retention



The retention process begins with hiring – it starts with hiring the right people – and continues every day to fully engage and mobilize people in creating success for the organization and for themselves.

# A Note on Boards

- Same principles apply:
  - What's needed to foster new leaders?
  - Boards have their own culture
  - They need support to be the Board your organization needs
- You can't do all we've talked about without them...but that's another workshop



# SUCCESSION PLANNING

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## Your Questions

What the \*\*\*\* is it?

How do we handle several key leaders retiring around the same time?

How do we broach the delicate subject of retirement and succession planning with people who are nearing traditional retirement age?



# First Stop: Organizational Preparedness

- ❑ People (all the things we've talked about)
- ❑ Strategic plan
- ❑ Policies
- ❑ Systems
- ❑ Compensation
- ❑ Structure
- ❑ Calendar
- ❑ Change management skills
- ❑ Alignment

Alignment is the ideal state to achieve optimal individual, team, and organizational performance.



Aligned organizations handle change well.

# How Do We Know If We're Aligned?

## Philosophical Considerations

- ❑ Are we operating with the same **definitions**?
- ❑ Are different **views** of our work integrated?
- ❑ Are different **disciplines** and models aligned?

## Operational Considerations

- ❑ **Systems** approach – knowing and responding to what each part of the system needs and how it works together
- ❑ Understand **sub-systems**
- ❑ **Communicate** across systems

# So What is Succession Planning?

- Preparation for the (inevitable) future
  - A plan for identifying, nurturing, retaining future leaders and positioning them for success
  - It's a product, and more importantly, a process
- Executive director transition – most common focus
  - Time of great vulnerability *and* great opportunity for transformative change
- Other levels – and planning is needed for all of them
  - Program, operations, communications...
  - Board of Directors
- When does it happen? **Now.**

# Questions to Action

1. If the executive (or any person in the organization) is suddenly unable to serve, is it clear to everyone who will be the acting executive?
  - Put an emergency or contingency succession plan in place
  - Give people a chance to practice
2. Does the Board have the right mix for undertaking a hiring process?
  - Build a Board that understands nonprofit leadership and management issues (i.e., not just corporate executive experience)
  - When recruiting Board members, ask: Will this person be a good addition to a hiring process?
3. Is the executive's job doable? Or does it take a superhero?
  - Make sure the management structure is the right structure and responsibilities are diffused and supportive
  - Review and update the job description

# Questions to Action cont'd

4. Is the salary competitive?
  - Include a review of salaries to bring the executive's and all salaries into line with the market
5. Can you get through a fundraising or income dip?
  - Raise funds for the transition
  - Transition relationships from the executive to the Board and successors
6. What's your hiring process?
  - Make it open and rigorous, even if you wind-up hiring someone internally – gives them necessary credibility
  - Form a transition committee
7. What's your external message?
  - Identify key stakeholders that need to hear from you
  - Craft and control the message

# All Comes Together in Succession Planning

- Leaders that inspire, engage, push, and let go
- Culture of and investments in learning and growth; continual improvement
- Attention to organizational alignment
- Processes to guide transitions

LEADERSHIP  
IS ABOUT MAKING OTHERS  
**BETTER** AS A  
RESULT OF YOUR PRESENCE  
AND MAKING **SURE**  
THAT IMPACT LASTS IN YOUR  
**ABSENCE.**



# How to Initiate

- How to Initiate:
  - Make the case – it's a best practice
  - Board initiates
- Long-term:
  - Build in as part of your *culture*:
    1. Learn your trade
    2. Build your expertise and portfolio
    3. Transition to others
  - Build in as *practice* with performance review process



# What Steps Will You Take?

- Compelling ideas?
- How it could help your organization?
- Steps you'll take?
- Big take-away's?



Thank you!

Meghan McVety, Capacity for Change, LLC

[www.capacityforchange.com](http://www.capacityforchange.com)

# Resources for Making the Case and Taking Action

## Books:

- Diagnosing and Changing Organizational Culture by Kim Cameron and Robert E. Quinn
- Good to Great and the Social Sectors by Jim Collins
- Practicing Positive Leadership by Kim Cameron
- Strategic Organizational Change by Michael A. Beitler
- Why Nonprofits Fail by Stephen R. Block

## Articles:

- 52 Free Development Opportunities for Nonprofit Staff:  
<http://www.bridgespan.org/Publications-and-Tools/Career-Professional-Development/Develop-My-Staff/52-Free-Development-Opportunities.aspx#.VXq8K6Y7TF5>
- Help Wanted: Millennials Need Apply:  
<http://www.bridgespan.org/Publications-and-Tools/Hiring-Nonprofit-Leaders/Hiring-Strategy/Help-Wanted-Millennials-Need-Apply.aspx#.VXq8YqY7TF4>
- Nonprofit Leadership Development Toolkit:  
<http://www.bridgespan.org/Publications-and-Tools/Leadership-Effectiveness/Nonprofit-Leadership-Development-Toolkit.aspx>
- Sector Not Paying to Cultivate New Leaders:  
<http://www.thenonproffitimes.com/news-articles/sector-paying-develop-new-leaders/>
- Developing Leadership Talent:  
<http://www.shrm.org/about/foundation/research/documents/developing%20lead%20talent-%20final.pdf>
- Developing Your Leadership Pipeline: <https://hbr.org/2003/12/developing-your-leadership-pipeline>
- Emerging Leadership in Nonprofit Organizations:  
<http://insights.ccl.org/wp-content/uploads/2015/03/AMEXReportEmergingLeadership.pdf>
- Nonprofit Talent and Leadership Development Toolkit:  
[http://www.epip.org/the\\_nonprofit\\_talent\\_and\\_leadership\\_development\\_tool\\_kit](http://www.epip.org/the_nonprofit_talent_and_leadership_development_tool_kit)
- Support Nonprofit Resilience: <http://www.geofunders.org/smarter-grantmaking/nonprofit-resilience/leadership-dev>
- Why Employee Evaluations Matter: <http://thirdsectortoday.com/2014/06/09/why-employee-evaluations-matter/>