



GEO PUBLICATION SUMMARY

Investing In Leadership

Volume 2: Inspiration and Ideas from Philanthropy's Latest Frontier

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Grantmakers today are doing more than just talking about the connection between leadership and nonprofit performance. They are looking for information and perspective about what works and what others are doing. And, at the same time, pioneers are experimenting with various approaches, sometimes clumsily, but often with success.

INTRODUCTION

In Volume 1 of GEO's *Investing in Leadership* series, we reviewed the current thinking on leadership development and its connection to nonprofit results. In this volume, we shift the focus to the current state of practice among grantmakers. More specifically, we try to make a connection between the conceptual framework and theory described in the first volume and what people are doing on the ground. Our approach is to present concrete examples of grantmakers' investments in leadership development and to draw out promising practices and lessons learned.

This volume is intended for donors, staff members and leaders of grantmaking organizations and giving programs who are thinking about how best to support the nonprofit sector's most precious asset: its people. Our focus, however, is not only on the individuals who are taking part in leadership development activities. In fact, we are more interested in the impact of leadership development on their organizations and, more broadly, the results those organizations achieve. The question is how leadership development can be thought about, designed and structured to produce beneficial outcomes for organizations, as well as the clients and causes they serve.

Key Characteristics of Leadership Development to Improve Nonprofit Performance

Our research for this volume suggests that leadership development approaches holding the most promise to improve organizational performance share three important characteristics: they are collective, contextual and continuous.

- **Collective** — Programs are designed to nurture collective leadership, either by strengthening the leadership capacity of cross-organizational networks or by working with board and staff teams from specific nonprofits.
 - **Contextual** — Leadership development embraces an “action learning” or “learning-by-doing” focus, supporting and creating opportunities for participants to apply acquired knowledge and skills to real challenges facing their organizations.
 - **Continuous** — Looking beyond the one-time training, grantmakers provide ongoing support to nonprofit leaders — through coaching, consulting and continuing financial support — to help ensure impact on organizational performance.
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INVESTING IN LEADERSHIP — PROMISING PRACTICES

Over the past year, GEO has talked with grantmakers across the country about what they are doing to develop nonprofit leaders. A common theme in these conversations is the “aha moment.” Time and again, foundation executives spoke of a “growing understanding,” a “dawning realization” or an “increased appreciation” of how leadership makes a difference. Equally important, many talked about the importance of connecting leadership development and organizational performance.

Their message — and ours: Leadership development in and of itself is no longer sufficient. It has to be connected to results for the organization and the communities it serves. But what kind of leadership development activities are best positioned to strengthen this connection? What are the unique design elements that can ensure that a leadership-related program or investment builds the capacity of organizations to succeed?

Our interviews, together with the case studies in this volume, provide some early answers. This is by no means a definitive list, but we feel confident in identifying three promising approaches to leadership development for organizational results:

- Nurturing collective leadership;
- Promoting contextual learning; and
- Developing strategies for continuous support.

The remainder of this publication explores each of these approaches in more detail, drawing from the early experiences of grantmakers who are toiling at the frontier in this work.

Leadership Program Profiles

Hawai'i Community Foundation

The Hawai'i Community Foundation's Promoting Outstanding Nonprofit Organizations (PONO) program brings mid-career nonprofit executives together for a year-long program of collective learning. The program also emphasizes contextualized learning by requiring participants to design and implement capacity-building projects that focus on a critical issue or entrepreneurial opportunity facing their organizations. A PONO program evaluation identified gains in organizations' management and adaptive capacities, as well as in participants' networks, as a result of their participation. More information: www.hawaiicommunityfoundation.org

NURTURING COLLECTIVE LEADERSHIP

Collective leadership is based on the premise that leadership is the product of groups rather than individuals. Not only does this form of leadership require a different set of skills among nonprofit executives (such as facilitation and the ability to create a culture that supports bottom-up innovation and shared responsibility for results), but it also requires a different approach to leadership development among grantmakers.

Individual grantmakers may not attach the "collective leadership" label to their programs, but many are pushing forward with initiatives that embrace at least some elements of this approach. These initiatives tend to fall into one of two categories: programs that set out to strengthen the leadership capacity of networks or teams of individuals from different organizations and institutions; and programs that focus on the organization itself as a locus for collective capacity-building work.

Strengthening the leadership capacity of networks. The Blandin Foundation in Grand Rapids, Minnesota, created its Community Leadership Program to train community teams from rural areas in how to initiate and manage change. Other grantmakers, such as the Hawai'i Community Foundation and the Jessie Ball duPont Fund, have devoted a great deal of time and energy to forming and supporting alumni groups from their leadership programs. Still others have made peer-to-peer learning the dominant feature of their programs, with participants engaging in facilitated discussions of specific challenges facing their organizations.

An important goal of these types of activities is to nurture collective leadership across nonprofit organizations. One person we interviewed said that leadership development programs should be designed to build "sector awareness" so that nonprofit leaders can work together on advocacy and other efforts that benefit the sector as a whole.

Building collective leadership within organizations. For grantmakers like the Sarkeys Foundation, the Jessie Ball duPont Fund and the Hartford Foundation for Public Giving, the goal of leadership development is to address systemic issues facing nonprofit organizations. This is why these grantmakers require organizations participating in their training initiatives to enroll teams of staff and board leaders. The idea, according to Hartford's Annemarie Riemer, is to "encourage vertical learning throughout the organization."

Other grantmakers are rethinking the way they award fellowships and sabbaticals to nonprofits and their leaders so the focus is not exclusively on the executive director. Today, for example, the Los Angeles-based Durfee

Foundation, as part of its Sabbatical Program for nonprofit executives, also provides support for secondary leaders who have to step in and assume control during the time that the primary leader is gone.

Leadership Program Profiles

Kansas Health Foundation

The Kansas Health Foundation has made leadership development a priority since it was established in 1985. The grantmaker's Kansas Community Leadership Initiative marks an effort to transform community leadership programs throughout the state by changing their focus from networking and community awareness to leadership skills. Another goal is to get the local programs to focus on leadership as a path to better health. Using a train-the-teacher model, the initiative enrolls local representatives in an intensive skills-building curriculum over a two-year period. Participants then share what they've learned through structured programs and their daily work at the local level. More information: www.kansashealth.org

PROMOTING CONTEXTUAL LEARNING

Among the main points of agreement among grantmakers who support leadership development for organizational effectiveness is that a lecture-and-textbook approach alone won't cut it. Yes, nonprofit leaders need a foundational understanding of important concepts and critical topics (such as financial management), but sponsors and participants alike say that the value of the learning experience depends on the extent to which it can be applied to real challenges facing nonprofit organizations and their leaders.

Grantmakers are incorporating contextual learning into their leadership development programs in a variety of ways. Some create forums in which participants from different nonprofits hash out a specific issue or challenge facing one of their colleagues. Others provide grants to participating organizations to implement a project or initiative connected to the leadership development curriculum. Still others require participants to come to a leadership program with a specific problem or challenge that they want to address in their work. Participants then develop an action plan in the course of the program, often with the support of a coach or consultant.

The James Irvine Foundation's Fund for Leadership Advancement takes a different approach, providing individually tailored support to executive directors, including executive coaching, mentoring, or focused technical assistance for research, board facilitation or strategic communications. The key question that the grantmaker wants to see answered in grant proposals for the program is "how professional development of the executive director is going to move the organization forward," said Martha S. Campbell, the foundation's vice president for programs.

Leadership Program Profiles

The Fieldstone Foundation

A corporate foundation established by a home-building company based in California, The Fieldstone Foundation has made leadership development a cornerstone of its mission. The foundation's Leadership Network includes three programs designed to improve the capacity of nonprofit leaders and their organizations in the communities served by the Fieldstone Group of Companies. Of the three programs, foundation leaders believe that a yearly series of learning groups for nonprofit executives has been the most effective. The program demonstrates the value of contextual learning for nonprofit leaders, as well as the role of peer learning models in building relationships that can contribute to nonprofit performance over the long haul. More information: www.fieldstone-homes.com

DEVELOPING STRATEGIES FOR CONTINUOUS SUPPORT

Traditionally, when people have thought about leadership development and training initiatives, they have thought about one-time or episodic events: one workshop or series of classes, a one-time intervention with a coach or consultant, a sabbatical or leave of absence so that the nonprofit leader can take a break and advance his or her education. Today, however, grantmakers increasingly are designing their leadership development initiatives to provide ongoing support to nonprofit leaders and their organizations.

The Hartford Foundation for Public Giving, for example, couples one-time learning events with a wide-ranging program of other capacity-building support for nonprofit organizations and their leaders.

GEO recently partnered on a project designed to assess the field's embrace of one form of sustained leadership development support: coaching. The GEO report, *Coaching and Philanthropy: Partners for Nonprofit Effectiveness*, is based in part on an online survey of 321 grantmakers that are GEO members. Among the key findings: 42 percent of respondents' organizations had provided financial support to their nonprofit grantees for coaching. Increasingly, the survey found, coaching is used as a "follow-up tool" to help nonprofits apply new knowledge and skills from a variety of types of leadership and management programs.

One grantmaker that is using coaching as a strategy for leadership development is the Fieldstone Foundation. Fieldstone's Coaching Network assigns nonprofit executives who have been trained as consultative coaches to long-term, confidential, one-on-one relationships with executive "coachees." Through a series of meetings and ongoing conversations over the course of a year, coaches help to empower coachees to accomplish specific leadership goals and resolve organizational problems.

CONCLUSION: MAKING THE CONNECTION TO RESULTS

GEO's interviews with grantmakers for this volume confirmed that evaluation remains a challenging question for many grantmakers engaged in leadership development work. Nevertheless, our interviews showed that some grantmakers are trying to make the connection between leadership development and organizational outcomes. The Jessie Ball duPont Fund, for example, has conducted two external evaluations of its Nonprofit Executive Institutes that show a clear impact on organizational practices and planning.

For other grantmakers, the connection between leadership and results is self-evident. They have seen firsthand the transformations that can happen when an organization's leaders have a chance to pause, reflect and learn.

Does leadership development make a difference for organizations and communities? The grantmakers we spoke with for this volume would answer that question with a resounding "You bet." As their work continues, and as other grantmakers join the cause, GEO promises to keep close track of philanthropy's embrace of leadership development as a stepping-stone to nonprofit results.