Gift or burden?

Ruth Lesirge and Hilary Barnard review the cost/benefit of leadership development in all sizes and non-profit organisations

It is accepted wisdom that all leaders need to keep learning and that this will benefit both the organisation and the individual. The reality is much more complex, with third sector leaders of small and medium sized organisations in particular struggling to balance the immediate business needs of their organisation, attaining to their own professional development and finding time for the often longer term demands of delivering organisational strategy and change. How such leaders should and can manage their learning therefore remains an open question.

This article addresses the particular challenges in leadership development for chief executives of small and medium sized charities. We read with great interest Mike Hudson’s article (see ‘Jack of All Trades?’, Caritas, issue 18, May 2009) on the mix of leadership and management requirements for the role of charity chief executives. The 5 Ps presented in that article are a helpful way to frame the issues, as will no doubt be recognised by readers of this article.

Where we think that more debate is needed is on the leadership development implications of applying Richard Lynch’s ten-point model for maintaining the chief executive’s authority. It is our view that while coherent pathways for enhancing the development of skills of chief executives and other leaders are available, they are formulated with the larger or larger charities in mind. Whilst these would be attractive and recognisable to leaders of smaller organisations they are sometimes unattainable – by virtue of their cost or the disproportionate time demands they make on participants.

In contrast, there is a plentiful supply of short interventions designed to improve individual or groups of skills, knowledge or behaviours required by successful leaders. Feedback from such individual interventions can only reflect the satisfaction levels about the specific event, rather than informing us about the individual’s view about or experience of their leadership development. The extent, therefore, to which the holistic professional development need of third sector leaders has been addressed remains open to debate.

The constrained leader

We believe we owe it to our leaders to create development interventions that feel like a gift not an additional burden. In part, this is a matter of proportionate costs, since the application of resources for professional development is limited for all third sector staff, including its chief executives. The ACEVO survey of the allocation for training and professional development of chief executives revealed an average budget allocation of £1,859, a median point of £1,000, and a range from a minimum expenditure of £100 to a maximum of £30,000. The same survey also showed that the time chief executives invested in their continuous professional development had declined from 30 hours in 2007 to 20 hours in 2008/09.

Boards of trustees and funders have traditionally been keen to ensure that financial resources are applied as far as possible to the front line, ensuring beneficial outcomes for end users of their services. Leadership and management development in the third sector has therefore had to fight hard for its yard of sun which has resulted in:

- The growth of flexible and modular provision based on knowledge or skills development.
- There are many training organisations who deliver these courses very effectively, including the short courses of firms of lawyers, accountants and other professionals.
- Well tailored programmes offered by ACEVO, which provide for the immediate, practical skills and knowledge needs, as well as peer learning opportunities of third sector chief executives and NCVO’s Barclays leader programme for senior people operating in the sector.
- The more substantial academic, university based learning, including face-to-face and distance learning – notably but not exclusively the Open University Centre for Professional Learning and Development.
- The ‘pragmatic’ approach, part-time diploma and masters programmes specifically for people working in the third sector, blending the on-line learning with its application to the everyday practice of its participants (such as those provided by Cass Business School).

All of this provision is informed to some extent by popular commentary on the nature and practical manifestations of leadership, capturing the essence of what it is to be a leader – in settings ranging right across all sectors. This is also influenced by more searching ‘management and leadership’ literature based on extensive research, seeking to understand the characteristics, styles and traits exhibited by successful leaders. Commentary and research offer insights and points for reflection, but for hard-pressed practitioners we can feel like exhortations to be like Branson or a riff of ‘shoulds and oughts’. Binney Wilkie and Williams inject a valuable note of scepticism when they comment that heroic leadership biographies and the cult of charismatic, transformational leaders serves only to raise expectations while offering few lessons for more executives learning to lead.

To pursue the point further, take for example
the definition offered by Bloch and Whitley of a leader as someone who is ‘consistently achieving results beyond expectations by creating a climate in which others can shine’\(^4\). The successful leader in this context demonstrates some key behaviours such as building trust, demonstrating courage, challenging, providing focus and communicating effectively. This is a useful checklist for those in leadership roles, by an author who aims to also challenge our tendency to regard personal leadership skills as ‘the soft stuff’. It is nevertheless a tall order for a hard pressed leader in a small or medium sized third sector organisation.

Or consider John Adair’s action centred leadership model, which though self evidently valid, can be experienced as an exhortation to be all things to all people at a time when energy and resources are in short supply. See figure 1.

Peter Drucker\(^3\) offers some assistance by addressing the question of what makes an effective executive. Given the ambition to be just that, leaders can find useful guidance in his findings. It is interesting to note that throughout his long career, Drucker maintained a keen interest in leadership and management of not-for-profit organisations. He argues that regardless of their style, effective executives:

- ask “what needs to be done?”;
- ask “what is right for the enterprise?”;
- develop action plans;
- take responsibility for decisions;
- take responsibility for communicating;
- focus on opportunities rather than problems;
- run productive meetings; and
- say and think ‘we’ rather than ‘I’.

Drucker offers comfort in affirming that leadership is not necessarily about personality and talent; that what all leaders have in common is their ability to ‘do the right thing and in the right way’. This is a far more contingent view of leadership suited to these turbulent times.

Our observation is that the more pressure leaders are facing, the more likely it is that they will experience the demands of leadership development as a burden rather than a help. We need to consider how explicit or implicit messages can be reframed about the need to be:

- able to lead from the front;
- able to act as a servant leader;
- ensuring synergy of organisation’s efforts with the mission;
- valuing staff, being good at delegating and able to give and take criticism;
- being entrepreneurial and innovative;
- a constructive (even harmonious) relationship with the chair of trustees; and
- engaged with her/his own development; particularly for the leader trying to turn round their not-for-profit organisation in short order and ensure that it becomes more sustainable.

One conclusion from this review is that third sector leaders need to be generalists (shared by Mike Hudson in the ‘Jack of all trades’ article cited in para. 2 on the page 30), but with an all embracing capacity for management and leadership. The key question for hard pressed practitioners is how this is to be achieved and where can they as leaders find the refreshment and renewal they need to continue to be effective.

We have met many leaders of small and medium sized charities who bring passion, dedication and creativity to their work. The size of their organisation has required them to be generalists and multi-taskers. As leaders, they have battled to keep organisational independence and identity in the midst of often rather crude commissioning.

Times are getting even tougher for those leaders, as many of their organisations face the prospect of an extended recession where cuts in public finances will bite particularly deeply.

Within their organisations, the result is that these leaders are frequently confronting substantial workloads, a headache about where and to whom they can delegate and financial pressures to streamline their operations. Add to this, boards that are often nervous about reserves and cash flows and requiring the chief executive or senior team to ensure the organisation can demonstrate not only substantial organisational outputs but also significant outcomes. Small wonder that ACEVO (Third Sector, 13 October 2009) reported 42 per cent of 707 chief executives polled had increased workload or stress. Calls to ACEVO’s CEO in Crisis helpline had tripled over the last year.

In this context, there can be no easy answers to the strategic and other operational challenges that third sector leaders face. For example,

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Figure 1: John Adair’s leadership model

Achieve the task

Develop the individual

Motivate the team

See also: www.johnadair.co.uk

www.charitiesdirect.com/caritas-magazine

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taking the path of structural change, even when it is the right thing to do, presents its own set of issues! While mergers might work for a few organisations, they involve considerable work of over several months and cannot be regarded as the blanket solution for organisations in difficulties. Collaborations, consortia and sub contracting can often help but they are not short cuts either and leave the chief executive needing to devise a ‘bespoke’ solution for his/her organisation that will retain the original spirit and purpose.

All of this takes considerable time, energy, skill and resilience. So how does the pressure to keep learning manifest itself with many leaders of small and medium sized third sector organisations? In practice they often:

- adopt short term-ist solutions, finding it very hard to concentrate on the strategic challenges;
- find it hard to engage in development activities and get easily distracted; and
- tend to correct ‘mistakes’ in piece meal fashion rather than carry through more systemic changes.

None of this lessens their commitment as practitioners to do the best they can for the organisation. What it does mean is that the space and time for leadership development is much less, and that development must feed rather than deplete the energies of the directors and chief executives.

**Kaizen for leadership development**

We would suggest that some refocusing of leadership development for those in small and medium sized charities may be helpful. The full blown, long term ‘ideal’ development programme may still be available and effective for larger organisations and better resourced or more securely funded medium sized charities - if such a state exists! - where a clear decision has been made to invest in the professional development of the leader.

For many smaller and medium sized charities, the approach needs to be guided more strongly by what is manageable and what will enable small continuing steps of improvement in leadership knowledge, skills and behaviours.

It is essential to be realistic about the distance chief executives, directors and other senior managers are able to achieve, given the pressures that are currently upon them. With that in mind, we will continue to endorse the value of stepping outside and beyond the organisation as a way of getting perspective, enabling the leader to ‘see things differently’. We also continue to champion the value of management theories and models; they can enable people to view their organisations through different ‘lenses’ and stretch ideas about what is possible.

However, we recognise as an important part of the picture the (otherwise admirable) inclination of leaders to set their own needs as a low priority; indeed, we have heard some talk of their own and their board’s reluctance to be seen to be taking time out for their own professional development. This is short sighted and an unhelpful mindset. Leaders need continual learning, in whatever form best suits their temperament, their organisational and personal circumstances. They may also need to have that right affirmed by their boards, with the recognition that it is makes good business or commercial sense.

We acknowledge that leadership development will serve all stakeholders best if it is both manageable and attractive to its target audience. It will need to be available in small bites (inter-linked

where possible), clearly focused on present demands in the context of the longer term vision and strategy. A crucial requirement will be provision that enables participants to feel energised and encouraged enough to apply their thinking and insights to their own work. We suggest it is also important to notice that such an experience does not always require a ‘formal learning’ context. Consider the frequent feedback received from conferences and workshops, where the chance to talk with people is a commonly identified as the most useful thing about the day!

This approach could include:

- Action learning for the emphasis it places on complex problem solving with high levels of ownership by participants.
- Individual coaching (developmental, not remedial) at times and locations that suit the leader.
- Structured organisation-exchange which offers opportunities for observing, examining and understanding what other bodies, including statutory agencies are doing.
- Job swaps (even very short term ones) or well structured shadowing to help get third sector leaders out of their niches and position themselves in the shoes of their stakeholders – including commissioners?

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1. ACEVO Pay Survey 2009/09
2. The following site lists the various providers: www.volresource.org.uk/services/train_qua.htm

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www.cass.city.ac.uk/cce/index.html

www.charitiesdirect.com/caritas-magazine