Chapter 6: Getting Started and Moving Forward

As we reach the end of this guide, we hope we have convinced you of something we said in the introduction: "…[L]eadership development isn't mysterious, accidental, or something that can be postponed. It is, rather, a systematic process that nearly every nonprofit can implement." We also hope we have convinced you that leadership development processes are worth the time, effort, and energy needed to execute them. After all, the future of your organization may depend upon it. Judging from our research, many nonprofits recognize that leadership development is an organizational imperative and would welcome the opportunity to learn about the best leadership development practices found in the nonprofit and for-profit sectors. We hope this guide goes some way toward meeting that need.

The processes that we detail here are designed to integrate leadership development into your organization's ongoing work activities. At the heart of this guide is what we, with a nod to American Express Corp., call Plan A—a vision of your organization's future leadership team (say, three to five years out), including the capabilities and roles needed to achieve your strategy, and an overview of the development steps you plan to take to build that team. If you have already read the rest of the guide, you will have noticed that most of the steps we recommend build on processes (goal-setting sessions, periodic performance reviews, check-ins with direct reports) that are probably already part of your organization's calendar. Powered by the engagement and endorsement of the CEO and senior team, these processes will form the foundation of your leadership development effort.

We recognize that the job of developing future leaders can seem overwhelming. Where do you start? Or if you already have some activities underway, what are the most critical next steps you can take? From what we've seen others do, here are some suggestions for getting started and making progress:

- **Begin at the Beginning:** Complete our Leadership Development Diagnostic Survey, accessible online at www.bridgespan.org/LeadershipDiagnostic. It will help you determine what leadership development activities you have in place and think about how to step up to the next level.

  If you have already completed the survey, have your senior team members complete it as well and ask them to reflect on where they see the greatest challenges and opportunities for the organization. When they have done so, meet with the senior team to discuss the current status of leadership development and reach alignment on priorities for the next 12 to 18 months.

- **Engage Your Senior Leaders:** If you are a CEO just launching your leadership development efforts, begin by telling your senior team that it is important that they develop as individuals and that you'll help each of them do so. To give your words force, ask each member of the senior team to add a personal and an organizational development objective to their annual goals. In so doing, you are, in effect, incorporating leadership development into their job descriptions. Assuming you have an annual goal-setting and performance-review process, build on it—don't create something new. Use that process to hold team members accountable for progress against their leadership development objectives. Let them know that you have set development goals for yourself as well and shared them with the board, which will hold you accountable during your own annual review.

If your senior team's annual goals already include development-related items, push the process further down through the organization, beginning with the senior team's direct reports and eventually extending to the entire management team and their direct reports. Initially, to keep the process manageable, the senior team will probably want to focus on a handful of staff members. As they gain experience, they can bring all their direct reports into the process of identifying development-related goals and ensure that leadership development becomes a standard part of the goal-setting and performance evaluation process at all levels of the organization. This starts the flywheel spinning and lays the foundation for a culture of development.

Be prepared to coach and counsel those who are struggling with the work of development. You might want to role-play a goal-setting discussion and then follow up after team members meet with their direct reports. Such after-action reviews can help team members learn from the experience and apply what they've learned to future discussions. You might also bring in an outside coach to run a session for your entire senior team on this topic.

- **Understand Your Future Needs:** If this is your first foray into systematic leadership development, you can begin by gathering your senior team for a once-a-year offsite (at your house, at a board member's office—anywhere but the office) to discuss where the organization is going and the potential of their direct reports to move into more senior roles.

  Start the discussion with a perspective on where you see the organization going and what the likely leadership needs will be in three years or so—think of it as the skeleton of your Plan A. Gather feedback from your senior team and develop a common view of the key positions you'll likely need to fill and the skills and capabilities that will be required.

In discussing the potential of staff, consider using the Sample Performance-Potential Matrix tool introduced in Chapter 2. Be sure to talk about the criteria for your assessments. What constitutes "high potential," for example? If possible, calibrate your judgments by first discussing a few individuals whom your leadership team knows well. Once you've established a rough set of standards and benchmarks, you can plot more individuals and focus discussion on outliers. Who stand out clearly as future leaders? Where do you face problems? What do these individuals need in order to progress further?

Now use what you've learned from this discussion, as well as the one-on-one development conversations you are having with your senior team, to create a Plan A for your leadership team, including your thoughts on who might be potential candidates for the CEO role for the board to consider. Update the plan annually and share it with the board.

If you've already taken these steps, ask each senior team member to develop a Plan A for his or her own department. Ask them to think about how their departments' mandates are likely to evolve over time, and what competencies their teams will need to develop to succeed in the future. Consider the potential of staff members to grow into those roles—based on their own ability, engagement, and aspirations. Bear in mind that these types of forward-looking discussions can be inspiring but also emotionally charged for staff, so it's helpful to consider how to keep them positive and constructive. Include the preparation of these plans in senior team members' annual goals, and hold them accountable for doing so during annual reviews.

- **Develop Your Future Leaders:** If you're just beginning your leadership development effort, a good way to launch development is to meet twice a year with each

of your direct reports to discuss his or her progress against leadership development goals. Again, don't create something new. You probably have a couple of review meetings each year to discuss progress against other goals; capitalize on these meetings by adding development goals to the agenda. In these conversations, work with each of your direct reports to identify the competencies he or she needs to develop to grow as a leader and to help the organization execute its strategy. Reach an agreement on the activities that are most likely to build those competencies, keeping the 70-20-10 framework in mind. If you've already read the rest of this guide, you'll recall that in Chapter 3 we explain how the most effective leadership learning consists of 70 percent on-the-job development supported by 20 percent coaching and mentoring, and 10 percent formal training. Working with the 70-20-10 template not only contributes to development of your senior team members but also teaches valuable Plan A lessons that they can then pass on to their direct reports.

Keep these development approaches in mind when staffing key projects or initiatives. Allocate these assignments so that staffers are doing work that develops specific leadership capabilities they need and at the same time accomplishes the organization's objectives. In doing so, you're instilling in your people the habit of thinking of projects as development opportunities.

If your leadership development program is more advanced, you can move on to building the number of talent champions in your organization, by focusing on those who are striving to become talent champions but who may need support to sharpen their talent-development skills. Model the talent development behaviors you want them to adopt by ensuring that your senior team is creating and following through on development plans with their direct reports. Consider pairing strivers with proven talent champions

who can help them raise their game. It can also be helpful to develop supporting materials designed to make your managers more effective. As we describe in Chapter 3, KIPP, a leading operator of charter schools, has developed such materials to help newcomers to the management ranks understand how their perspectives and time allocations will shift as they take on more responsibility for developing their teams.

- **Hire Externally to Fill Gaps:** If your organization is new to formal leadership development, begin this process by referring back to your assessment of the organization's future leadership needs and the leadership potential of your current staff. Identify the areas where you will likely need to hire externally to meet those future needs and those where you should aim to build capacity from within. External hiring is often necessary at small- and medium-sized organizations when there is a wide management-skills gap separating, say, the finance director and the bookkeeper who reports to her. In such cases, you'll likely have to hire externally to replace the finance director—or, if the organization is growing rapidly, create a new chief financial officer role.

  If your organization's leadership development program is more advanced, you and the senior team can move from identifying potential hiring needs to considering what types of hires will constitute a good fit with your organizational culture. Chapter 4 includes a questionnaire to help you define your culture. You might want to refer to it as you consider this question. Once you have a good fix on the culture, you can think about ways of assessing a job candidate's personality and style of working and gauging whether she will fit comfortably within the culture (or in some cases give it a much-needed jolt). For starters, you might want to invite the candidate to an informal meal with you and your senior team to get better acquainted. Later,

you can seek her perspective on a particular challenge facing your organization or even have her join the senior team for a work session. Such activities can give you—and the candidate—an accurate reading on the potential for a mutually beneficial partnership.

- **Monitor and Improve Your Practices:** If your leadership development program is in its initial stages, you can begin this process with three actions. First, set targets for accomplishing the work of the previous items on this list. Next, report on your organization's progress against those targets to your senior team and the board to reinforce the message of accountability. And finally, during annual goal-setting discussions with the senior team and the board, determine leadership development priorities for the coming year.

  If your organization's leadership development program is more advanced, you can work on fine-tuning your monitoring and measurement efforts. Identify particular aspects of your leadership development program to study in greater depth. Where are your efforts meeting with the least success? What kind of data can you collect to help you pinpoint the cause of the underperformance and make improvements? But don't focus exclusively on problem areas. Look for cases of "positive deviance" —aspects of the program that are meeting with better-than-expected success. Think about the information you can collect to help you understand why they're outperforming, and about how you can apply what you learn to underperforming elements of the program. And every year, expand your measuring and monitoring effort to include more elements of your leadership development program.

You may notice, once your organization has incorporated these leadership development activities into its everyday routines and rhythms, a subtle change in the culture. Leadership

development finds its way into work conversations, and people begin to look at job assignments, tasks, projects, and functions not just as work to be done but also as opportunities to build leadership muscle. People start paying attention to reports on the state of the leadership pipeline in the same way they might look at reports on fundraising or membership or program participation. Skilled talent developers enjoy the respect and admiration of their peers and reports, and without really trying, the organization gains a reputation as a place where people with high potential and aspirations can make the most of their abilities. We've talked more than once in this guide about building a leadership culture, but in an important sense, the culture builds itself, as a byproduct of the organization's leadership development activities.

Another point we've made more than once is that leadership development really begins with a commitment from the CEO, whose role as chief talent officer is vital to the entire leadership development undertaking. But the CEO will need plenty of help. To take root in any organization, leadership development needs consistent, persistent engagement from its senior leadership team. Together with the CEO, they're jointly responsible for making leadership development a part of your organization's everyday business. And that means implementing the steps described in this guide in a manner that suits your organization's unique characteristics and culture. We strongly believe that the results—in the form of a stronger, more sustainable organization that's better equipped to pursue its mission—will justify the effort. As Debra Snider, vice president of operations at GuideStar, told us, "Fulfilling your mission is key, but you can't fulfill your mission unless you can sustain your organization." Or as KIPP Foundation CEO and President Richard Barth told us, "Leadership is the central premise for growing our network." We've heard similar testimonials for the value of leadership development from a wide variety of nonprofits.

We want to hear from your organization, as well. We encourage you to stay in touch with us as you take your leadership development journey by checking in at the Plan A section of the Bridgespan.org website, www.bridgespan.org/Leadership-Development-Tools, where you'll find additional tools and resources. We also invite you to share your feedback on the guide and your suggestions for tools and practices that may be helpful to your organization and others.

Acknowledgments