



CULTIVATING NONPROFIT LEADERSHIP

A Philanthropic Opportunity

(MISSED?)



A Smashing Silos in Philanthropy Report

By Niki Jagpal and Ryan Schlegel

Executive Summary

“Unless we can figure out what is behind the nonprofit world’s chronic underinvestment in leadership and turn things around, we will continue to overlook one of the most important ingredients of positive social change. Investing in leadership doesn’t just deliver higher performance; it can also deliver a better, more equitable world.”¹

— Ira Hirschfield, President of the Evelyn and Walter Haas, Jr. Fund

Improving the world does not happen in the absence of strong, skilled and connected leaders driving the change process. Leadership development, therefore, is an integral component of any work that seeks to address long-standing structural barriers to sustainable change.

However, U.S. grantmakers significantly underinvest in leadership development. An analysis of grants from 2003-2012 showed that leadership development funding comprised just 0.9 percent of total dollars granted and 0.8 percent of total grants. By comparison, for-profit businesses routinely invest \$129 per employee for leadership development every year, while the civic sector invests only \$29 per employee. Interestingly, grantmaking designed to achieve social justice is an exception, with 3.9 percent of total grant dollars going to leadership development.

Because leadership development creates new and previously uncultivated relationships, these programs can create fertile ground for grassroots collaboration that builds movements and leads to lasting change.

Leadership development is essential to achieving real results in three ways:

1. It disrupts usual ways of thinking and builds the networks needed to win.

Leadership development goes beyond the individual and often can lead to collaborative leadership among those who share values or goals. It can serve as a catalyst for disruptive events that move leaders beyond day-to-day concerns to greater

effectiveness. When people are removed from their quotidian routines, creativity and vitality lead to innovation. Being placed in a cohort with others in the sector working on varied issues is an opportunity to find common ground and identify overlap or intersections in seemingly disparate pieces of work.

2. It prevents burnout. The social justice work of grassroots leaders can be what fuels their passion, but it can also hamper their efforts if it becomes overwhelming in scope or in the emotional toll it takes. Their work is often boundaryless, demanding, even unmanageable. Nonprofit executives are expected to play numerous roles at their organizations, often with stretched-thin staffs: HR manager, confidante, strategic mastermind, motivator, negotiator, etc. It can be difficult for leaders to navigate effectively among all these roles and to strike a satisfying work-life balance. Leadership development can and must help leaders strike this balance.

3. It has a multiplier effect on organizations.

How can foundations support a strong “bench” of secondary and tertiary leaders? One way is to support leadership that is collaborative and inclusive. It is important to foster new grassroots leadership that reflects the diversity of our country’s population, particularly leaders who can lift up communities that lack a voice in decisions that impact them directly. Transformational

leaders and funders see the interdependence and interconnectedness of issues and constituencies and the importance of cultivating leadership among community-level organizations at varying structural levels.

This report explores leadership development as a tool to create transformational change. It profiles leaders and the organizations that provide them with the tools necessary to be successful. It emphasizes the relational and inclusive nature of this work and provides examples of the kinds of changes that can be realized by funding grantees and organizations that work in this space. It provides ways to address perceived challenges to funding leadership development, including the misconception that investments in this work cannot be measured.

NCRP recommends five concrete ways for grantmakers to boost support for leadership development:

- 1. Begin or increase funding for leadership development.** First and foremost, any change-oriented foundation that is not yet funding leadership development should strongly consider doing so. Those already funding it at a modest level are urged to consider increasing their support.
- 2. Integrate leadership development with program strategy.** Funding for leadership development cannot be an afterthought. It is most impactful when it is fully integrated with grantmaking strategy.
- 3. Engage with grantees as true partners.** Because of the iterative nature of leadership development, funders should engage grantees as true partners and create a mutually agreed upon vision of leadership.
- 4. Use a culturally inclusive lens.** It is important to consider how dynamics of identity, power and trauma may influence a participant's experience with leadership development. Gender, race, sexual identity, disability and many other aspects of each participant's identity will play a role in the efficacy of a particular leadership development program.

- 5. Build capacity that supports leadership development.** Leaders of grassroots organizations often play many roles. For the executive director to most effectively participate in leadership development, it may be necessary to assist in building the capacity of other staff too.

There is a great need for more funding for leadership development in our sector. Grantmakers have an opportunity to address this at all levels, including organizations working for social justice at the grassroots level, groups that provide them with support to develop their leadership skills and national leadership programs that provide sustainable tools to keep the sector healthy. Each funder will find a different entry point into the leadership development sphere, but every grantmaker can increase its knowledge of available programs and see how this work aligns with its mission and strategy. If more funding is provided to groups doing the work described in this report, grantmakers will make substantial contributions to the public good and help to build a more just and equitable society.

It is our hope that this report and the resources provided in it will help more funders see the value of investing in grantee-driven leadership development and engage in critical self-reflection about the myriad benefits that this work offers to grantees and foundations alike.

***Note:** This report is part two of the “Smashing Silos” series, which looks at critical, and largely overlooked, aspects of effectively funding social change. Part 1, titled [Smashing Silos: Multi-Issue Advocacy and Organizing for Real Results](#), challenges the tendency to focus on narrow issue silos and provides practical tips for funding cross-issue grassroots organizations as part of a holistic grantmaking strategy.*

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The quality of leadership determines what an organization, sector or movement can accomplish. Cultivating the characteristics needed for bold vision, clear strategy and the ability to deeply connect and collaborate toward shared goals requires investment, expertise and courage. Philanthropy must deeply invest in human capacity to see the changes in the structures and systems that shape our lives and our world. This groundbreaking report by NCRP lifts up the principles and practices that map out a new way forward.

— Taj James, Founder and Executive Director, Movement Strategy Center

Leaders – at all levels – drive and create change. And for funders, there are fewer, more powerful levers to advance change than investing in leaders. *Cultivating Nonprofit Leadership* makes a compelling case for foundations to expand the support for leadership development, providing concrete examples of leadership investments that have made a difference, not just for individuals, but for the issues they work on.”

— James E. Canales, President, Barr Foundation

Cultivating Nonprofit Leadership reminds us that to invest in leaders is to invest in the messy, human process of changemaking, one that begins with a critical flowering of self-awareness, acceptance and nurturance. Let’s answer the call to invest deeply in scaffolding an infinitely more supported and interconnected leadership body, and honor our humanity instead of scorning it for weakness.

— Pia Infante, Co-Executive Director, The Whitman Institute



For more information or to join NCRP, please contact us at:
1331 H Street NW, Suite 200 • Washington D.C. 20005 • Phone 202.387.9177 • Fax 202.332.5084
E-mail: info@ncrp.org • Web: www.ncrp.org