Evolution of a Nonprofit, Part 2: Shifting Orientation from One Person to the Community

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Life is change. Growth is optional. Choose wisely.

—Karen Kaiser Clark[1]

A leader-dominated organization is primarily driven by the efforts and the resources of one person, often the executive director. In contrast, a community-based organization achieves strength through diversification. No single person or funding source drives the work of the organization or controls information flow through it. Part 1 of this article provides a guide for the staff and the board members of nonprofit organizations to assess whether they are shifting or want to shift from being a leader-dominated organization to being a community-based organization.[2] The purpose of this part is to propose a step-by-step process for organizations to use as they begin either to discuss such a shift or to make it.

Allowing one person to dominate an organization does create some efficiencies, particularly in time and conflict management. If the leader has "the answer" for the whole group, then discussions are short, and differences of opinion are less likely to be expressed. Individuals do not have to make the effort to listen to others, consider alternatives for action, manage conflict within the group, or be held accountable to a collective set of standards. In other words, allowing an organization to be dominated by one person can make for lighter duty for everyone else.

Because working with a community orientation requires more personal time and commitment than allowing one person to dominate the group does, it is important that the members of an organization fully discuss the implications for change. Supporting the philosophy of community orientation is easier than implementing its daily practices. Following are six questions for nonprofit organization personnel to discuss as they consider the ramifications of change.

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1. How do we begin?

Making this developmental shift is a shared responsibility of the board and the staff. In addition to the logistical arrangements required (notices, time, place, supplies, refreshments, agenda, and facilitator), the shift will likely require personal and procedural changes on the part of staff and board members, at a minimum. As the theoretical possibility of transition becomes expressed, with the accompanying implications for individuals, a wave of fatigue or resistance might set in. From the beginning and throughout the process of change, the organization should acknowledge that this effort requires sustained commitment. It should celebrate each milestone of accomplishment and remind itself of the positive outcomes it expects for the good of the organization and the community.

One way to start is for the director and the executive committee, which usually consists of the officers of the board of directors, to discuss the organization's current practices and the implications of becoming community based. On the basis of that conversation, they may choose to present the possibility to the whole board and ask for reactions. Board members might respond immediately with firm opinions, or they might choose to mull the possibility over until the next board meeting.

An organization can be firmly entrenched in a leader-dominated orientation without realizing it or without being motivated to change. If so, the initial phase of discussion may take months in order to give everyone the opportunity to compare the status quo with the opportunities presented by shifting course. The case for change can be built by gathering and presenting information such as the following:

- Feedback from key supporters, particularly funders or program partners
- Symptoms of inefficiencies, dysfunction, or exhaustion
- Data from audits, complaints, or lawsuits
- Standard practices for risk management strategies
- Comparison practices from other nonprofits[3]

If either the dominating leader or the board members respond negatively, an effort should be made to understand the reasons behind the reactions. People react differently to an invitation for change and might interpret it as either overt or indirect criticism. There may be a way to respond and problem-solve positively. For example, if the negative reaction is due to the additional time that the process might take, one option may be to have the discussion about change occur in place of a regular board meeting. If the negative reaction comes

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from a dominating director who feels threatened by the process, a private conversation between the director and the board chair might help identify and ease anxieties.

It is critical to the success of this process that participants be forthright with one another. It also is crucial that a desire to avoid constructive criticism or difficult decisions not displace the goal of positive organizational change.

In any event the board should first decide whether it is interested in pursuing a discussion about change. A full shift can occur only if the board develops interest in exploring the question. Once that commitment is made, the board can begin to work on the logistics by either appointing an ad hoc committee to make the arrangements or making those decisions itself. If the choice is to appoint a planning committee, then the board can immediately set an inclusive tone by inviting other community stakeholders to join in the process.

2. Who should take part?

Ideally the pool of participants in this discussion will include more than board members. Members of other key stakeholder groups may have valuable insights to offer. Representatives of staff, volunteers, clients, funders, professional peers, and community members might be invited to participate in this process as well. If working relationships have been perceived as unproductive, unsafe, unethical, or hostile, then including all these stakeholder groups may seem risky, particularly in terms of the internal or hierarchical relationships.

Facilitators of this change process will have to take special care to identify concerns that others might have about participating, such as fear of being punished for being honest or anticipation that sensitive information might be misused. Each step of the process should model the integrity of the change that the organization hopes to achieve. By including all the key stakeholders in the planning and the discussion, the nonprofit would not only gain valuable perspectives but also begin to model the operational characteristics of a community-based organization.

Some people may be reluctant to include outsiders in such a potentially sensitive discussion. However, choosing to do so may provide valuable lessons for both the individuals and the nonprofit as a whole:

- Participants can learn together how to present or phrase their concerns in such a way that they can be heard and understood, even by those who may disagree with the content.
- The organization might learn that people with less formal power (such as recipients of the nonprofit's services) have valuable perspectives that can strengthen programs.
- By inviting stakeholders who may not know much about the day-to-day operations of the organization (such as elected officials), the non-

Sample Format for a Facilitated Discussion

1. Have all group members introduce themselves by telling their names and relationships to the organization. Ask them to share a little information about their interest in the nonprofit and their motivation for participating in this discussion.

   Alternatively, ask participants what specific knowledge, interest, or skill they bring to the group.

2. Help the group set ground rules for the discussion, suggest the plan for the day, and explain how the ideas that are generated will be written up, shared, and used later on. Explain that in addition to the ultimate goal of shifting to a community-based perspective, the organization hopes to begin creating a set of guiding principles for the whole organization and writing an action plan. Facilitator Roger Schwarz suggests one effective set of ground rules for use.[1]

3. Have someone spend a few minutes explaining the sequence of events or thoughts that stimulated interest in holding the meeting. Give people an opportunity to ask questions or express concerns or expectations about the day ahead.

4. Review the list of eight questions (see page 5, "5. How do we talk about the broad issue in a meaningful way?"). Give the group the opportunity to modify these questions or add others. Rephrase them as necessary.

5. Review existing operational principles, or draft new ones. Post them in a visible place in the meeting room for easy reference. If this is a new concept to the organization, participants can frame the discussion by filling in the blank: "In all of our daily activities, we want to be able to say honestly that we ________."

6. Work down the list of questions, recording key elements of responses on flip charts and posting the pages on the walls. Make sure that everyone has an opportunity to participate. At the end, ask for volunteers to summarize what the group expressed about each question. Celebrate vigorously when the group gets to the end of the list.

7. Review the operational principles to assess whether they provide adequate guidance. Verbally try them out in different imagined scenarios, such as during an interaction with service recipients, in a community meeting, or in a negotiation with a funder who desires a particular outcome. The group discussion or scenarios might raise new issues to address or uncover differences in philosophies that warrant further examination.

8. Define action steps for implementation within specified times. Identify who is responsible for each step. Ensure that the next steps are clearly defined. Decide when and how the board and the staff will be held accountable for making the expected progress and reporting back to the whole group.

9. For closure, go around the room and ask each participant to share his or her feelings about the work that the group has accomplished and his or her own participation in it.

Note

1. Roger M. Schwarz, *Ground Rules for Effective Groups*, POPULAR GOVERNMENT, Spring 1989, at 25.

Sample Reasons for a Nonprofit to Shift Its Orientation to the Community

Why make the shift?

- We want greater stability.
- Our funders are encouraging us to diversify our leadership and our revenue sources.
- We now are sure that the community wants and needs our service; we want to succeed over the long run.

What are the implications of the shift for staff, volunteers, and community members?

- We will have to put more effort into communication, especially listening.
- We will have to trust one another more.
- We will feel the stress of change.

What is personally challenging about making the shift?

- Not knowing what exactly is going to happen makes me uneasy.
- I may have to give up more of my private time.
- We may have to confront hard interpersonal issues.
- I may have to begin doing things I do not like to do.

What logistical barriers exist?

- Our salaries may not be adequate to attract the level of professionalism we want in our staff.
- We do not have enough administrative support.
- We will have to direct scarce resources toward administrative functions in addition to client services.
- The executive committee will have to begin meeting monthly instead of bimonthly.

What psychological barriers exist?

- Loyalty to our previous primary leader may inhibit some of us.
- Some of us may fear any changes in the status quo.
- There may be resistance to giving up control.

What is exciting about making the shift?

- Seeing this organization become all it can be will be a thrill.
- Fulfilling our promises to our clients and supporters will be satisfying.
- Playing a role in making a positive change for this organization will be exciting.

What tools, training sessions, or practices need to be in place?

- We have to purchase a desktop publishing program in order to begin doing newsletters.
- Staff need training in record keeping.
- The board needs assistance from a facilitator in strengthening its performance.

How will we know when we have made the shift?

- The organization will not depend on any one person for its survival.
- At least three people will understand the status of our financial situation and know where and how records are kept.
- The expectations and the responsibilities of every staff and volunteer position will be defined in writing.
- Job processes and decisions will be documented for future reference.
- We will receive positive feedback about these changes from stakeholders in our community.
- The executive committee will take the lead in setting board agendas.

profit can build relationships with and educate key community leaders.

If the people associated with the nonprofit are genuinely committed to building a stronger organization and are willing to set aside personal goals or concerns, the potential benefits of this process will outweigh any risk of exposing weakness to the community.

3. Who should lead the discussion?
Engaging an outside facilitator probably is the most effective means of protecting the integrity of the change process. It is not appropriate for the person or the people facilitating the process also to participate by offering substantial content to the discussion. Doing so might inadvertently introduce biases. Also, if a discussion participant has a relevant perspective to offer, then that person should be free to do so without being distracted by the responsibilities of leading the meeting.

If this type of process is new to an organization, or if its culture has not historically welcomed frank interchange among staff, volunteers, board, clients, and community members, then it is particularly wise to take the process cautiously and engage a neutral facilitator to lead the meetings. One important responsibility of a facilitator is to help make the group setting safe enough for members to say whatever they need to say, without fear of negative reactions.

(For a possible format for the facilitated discussion, see the sidebar on page 2.)

4. How long will the process take?
Some nonprofits might be able to work through the issues in a matter of hours. Others, especially those in which a unified vision does not exist or interpersonal relationships are not trusting, might require a series of meetings over several months. If the plan is to extend the discussion over several meetings, there is a risk that the same participants will not be present for all sessions. If group attendance changes from meeting to meeting, it is likely that discussions and decisions may need to be repeated to bring newcomers up to date.

Organizations might benefit most by setting aside at least four to six hours for this meeting, including time for a shared meal and breaks with refreshments. A communal meal encourages informal exchanges and one-on-one conversations. Often this sort of change in group dynamics can help strengthen interpersonal communication and break down barriers in relationships.

5. How do we talk about the broad issue in a meaningful way?

Through careful contemplation of what this evolutionary phase represents and what it requires to be accomplished successfully, members throughout the organization can work together step-by-step to define the following:

1. Why do they want to make the shift from being a leader-dominated to a community-based organization?
2. What are the implications of the shift for them as staff, volunteers, or community members?
3. What is personally challenging about making the shift?
4. What logistical barriers exist?
5. What philosophical barriers exist?
6. What is exciting about making the shift?
7. What tools, training, or practices need to be in place?
8. How they will know when they have made the shift?

Each nonprofit will answer these questions in a unique way. The answers may vary for an organization over time as the people and the circumstances connected to it change. (For the responses of one hypothetical organization, see the sidebar on page 3.)

6. How will we discover what we want to be?

Some organizations have established principles or operational philosophies that guide their operations. These principles may be documented in writing, or they may simply be evident in daily activities. Before the group begins to discuss the eight questions, it should either review its existing principles or draft new ones. If the agency has not formally articulated operational principles, this preliminary step should help an organizational philosophy emerge. From the responses the stakeholders can draft a set of principles to guide them in the decisions that they make and the actions that they take on behalf of the nonprofit and its clients.

The emergence of operational principles gives individuals the opportunity to evaluate how they fit with the organization. Ideally the philosophies will be mutually supportive and complementary; however, this may not always be the case. If, after thorough discussion, the organization's principles are not compatible with an individual's philosophy, then it is probably best for the two respectfully to acknowledge the difference and go their separate ways.

Operational principles might define how staff or volunteers are to treat people, for example. They also might prioritize, or provide situational guidelines to prioritize, competing interests or service populations of the agency. By using these guiding principles daily for all kinds of decisions, the community orientation will become embedded in the organization's culture and practices.

A mission statement defines the fundamental purpose of a nonprofit. Operational principles provide the permanent, general guidance or philosophy by which the staff and volunteers will carry out their work. A strategic plan offers goals and objectives that define the specific activities and timeline used to plan progress toward achieving the organization's mission. (For an illustrative set of operational principles for a hypothetical organization, see the sidebar on this page.)

If the group creates new or revises existing guiding principles, it should—in keeping with an inclusive managerial style—share the new draft with all volunteers, staff, and board members, at a minimum. Depending on the situation, it may want to share and discuss the draft with other stakeholders as well. After the group receives and discusses the feedback, it can incorporate the feedback into the final draft document, as appropriate.

If the nonprofit is a membership organization, formal adoption of the guiding principles might take place at the annual meeting. Otherwise, the full board should formally adopt the guiding principles.

Next steps vary according to the existing infrastructure of the organization. If the nonprofit does not have a strategic plan, this might be a good time to create one. If a plan already exists, then subcommittees might review each section (programs, personnel, financial management, board development, etc.), comparing it with the guiding principles

Sample Operational Principles

The priority of this organization is to help our [jurisdiction—neighborhood, town, county, etc.] meet the expressed needs of [definition of clients].

To best hear and understand the needs, the processes, and the resources of our clients and our community, we need to welcome their participation in this organization, make time to listen to them, and provide opportunities to implement their suggestions about our activities and plans.

Rather than creating new projects to attract funding sources, we want to maintain programs that the community says it wants, enhance those programs in the ways that the community requests, and encourage broad-based community support through local individual and organizational contributions.

We want to maintain an organizational climate that respects and celebrates the talents, the contributions, and the efforts of individuals, whatever those might be.

We want to create an organizational culture that makes this organization a good place to work in, volunteer for, and support.

We respect the trust that the community places in this organization and will do what it takes to be responsible stewards of the resources entrusted to us.

We expect every member of this organization to be fully accountable for our individual and collective actions to our community, our supporters, our clients, our volunteers, and our staff.

Sample Next Steps

Responsible Party	Step
Steps to Take Immediately	
Staff, executive committee	Restructure the format of all agency meetings to include opportunities for feedback from all participants. Evaluate and implement whatever needs to happen to make the environment safe to encourage honest and open participation.
Staff, board	Refer to the Guiding Principles when making all decisions and plans. Adjust plans if they do not adhere to the Guiding Principles.
Executive director	As job positions become open, employ hiring practices that are equally applied to all applicants, that are based on the organization's needs, and that are fully documented and justifiable.
Executive committee	Using input from the director, begin deciding the content of the agenda for board meetings.
Executive director	Send the agenda along with a monthly director's report to the board members in advance of the board meeting, including any relevant background information they may need for decision making.
Steps to Take within the Next Month	
Executive committee	Begin meeting monthly to stay better informed and to become more effective in strengthening board participation.
Nominations committee	Meet to plan a strategy for diversifying board membership.
Staff	Purchase a desktop publishing program and find appropriate training for staff in order to begin publication of a quarterly newsletter to the community.
Executive director, treasurer, staff	Review the financial management practices of the organization, divide the responsibilities for better risk management, and cross-train on functions (e.g., filing and reporting).
Steps to Take within the Next Six Months	
Staff	Invite informal community leaders and professional peers over for coffee-and-pastry meetings to share the organization's programming plans and to ask for their feedback.
Staff, for board review	Re-evaluate the existing strategic plan for its adherence to the Guiding Principles. Incorporate new activities that will strengthen the organization's community-based outlook.
Staff	Develop a plan for holding focus groups for clients to solicit their input on ways to strengthen programs. Seek funding to underwrite the expenses associated with holding the focus groups.
Steps to Take over the Next Year	
Board	Design the annual meeting to encourage broad community participation.
Staff	Incorporate the feedback from client focus groups into programming, volunteer training, community newsletters, funding applications, and so forth.

for consistency. There may be a need to edit or enhance the strategic plan to reflect the newly embraced philosophy behind the guiding principles. If so, then the revised strategic plan should be shared throughout the organization and formally adopted at a board meeting.

Initially, staff and volunteers will have to check both individual and group decisions, processes, plans, and products formally against the guiding principles to see how well they match. If the product is a newsletter, for example, the staff should review every aspect of it, from content (Do the articles explain the impact of the nonprofit's activities? Are there a variety of articles intended to engage the interest of different types of people?) to literacy level (Will the average community member be able to read it?) to distribution plan (Do clients, informal community leaders, elected officials, funders, and other key stakeholders receive copies?) to ensure that the guiding principles are followed.

To perpetuate the organizational philosophy, the guiding principles should be shared with all new employees and volunteers, be referred to in training and practice, even be posted in a visible common area in the agency. Over time the community orientation reflected by the guiding principles will become second nature to everyone and comforting to stakeholders seeking consistency from the nonprofit.

(For concrete next steps that a hypothetical organization might take once it has completed its philosophical discussion, see the sidebar on page 5.)

Practices to Help Make the Shift

Organizations can begin shifting from a leader-dominated to a community-based organization by exploring and gradually implementing the following strategies. Not only can inclusive practices strengthen a nonprofit, but they also can become safeguards against potential abuse by creating systems of checks and balances.

Strengthening Community Involvement

- Inform the community of the organization's activities and plans, and the impact of programming.
- Invite, consider, and, when appropriate, incorporate feedback from stakeholders.
- Find ways for critics to join in making positive change by seeking to understand their opinions or inviting them to participate on committees.
- Invite the community to the nonprofit's annual meeting. Design the meeting so that it will engage the interest of a broad range of people.
- Recognize that diversity is about more than ethnicity and religion. Involve people who represent differing ages, professions, socio-economic groups, residential areas, and so forth.
- Inform the community about staff changes, newly elected board members and officers, and awards to recognize volunteers.
- Publicly acknowledge contributions of time, effort, and money.
- Provide creative options for people to support the mission of the nonprofit, whoever and wherever they are in life, and whatever their personal resources may be.
- Take time to celebrate accomplishments.

Strengthening Staff, Volunteer, and Board Involvement

- Establish a culture in which people are encouraged to ask questions, advocate for their interests, inquire about the interests of others, provide thoughtful responses, and report follow-up actions to the group.
- Build feedback loops into all processes—meetings, training sessions, client interactions, and so forth.
- Share all relevant information, taking care to protect the confidentiality of clients, staff, and others.
- Acknowledge staff transitions when they take place and describe plans for refilling or modifying the positions.
- Discuss reasons for impending policy, program, or personnel changes and all possible implications. Jointly devise strategies for implementation or response.
- Ask board members to seek and express input from the constituencies that they represent.
- Ask staff members to rotate the responsibility of setting the agenda for and leading staff meetings.
- Have the executive committee take the lead in setting the agenda for the board meetings, using input from the director.
- Have the director provide background information to the board members ahead of time so that they can process the information, formulate questions, and prepare for discussion.
- Have the director provide background information on potential changes, present options for action, let the board make the decisions, then implement the plan of the board's choice.
- Take time to celebrate accomplishments.

Conclusion

For some organizations, shifting to a community-based philosophy may be as simple as learning to ask the community what it wants instead of telling it what it needs. Making the shift may only require reframing questions or slightly modifying practices.

For other organizations, introducing a process of self-evaluation may disturb people who want to maintain the status quo. Any expressed movement toward change may feel uncomfortable in both professional and personal ways to the people who have to make the transformation.

It is important that the nonprofit's board, staff, and volunteers respectfully acknowledge any existing discomfort. At the same time, they ought to continue to work diligently toward the goal of gaining organizational strength by shifting from being a leader-dominated organization to being a community-based one. Nonprofits have important missions that deserve this effort. The communities they serve should expect no less.

Notes

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1. Karen Kaiser Clark & Larry W. Anderson, Life Is Change, Growth Is Optional (St. Paul, Minn.: Center for Executive Planning, 1993).

2. Part 1 of this article is published in Popular Government, Fall 2004, at 16. It also is available from the SOG Bookstore.

3. Such comparisons might come from other admired nonprofits in the community or those in the same field located elsewhere. Also, neutral comparison standards are available in *Standards for Excellence: A Self-Help Tool for Nonprofits' Organizational Effectiveness*, by the Maryland Association of Nonprofit Organizations (Baltimore: the Association, 1998), adapted in 2002 by the North Carolina Center *for* Nonprofits. To order a copy, contact the center at (919) 790-1555 or www.ncnonprofits.org.