

PEOPLE FIRST *Leadership*

An inspirational TED Talk and other experiences illustrate that the ways an organization manages its people can make all the difference

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Always on the lookout for new, interesting and valuable ideas, I keep my ears and senses tuned whenever I'm reading, watching, and listening to all types of media. Over the years, I have routinely found inspiration in a number of TED Talks. (My iPad is dutifully set up on my dining table, as TED Talks are as much part of my morning ritual as reading the daily newspaper.) And in the spirit of their objective to lift up "ideas worth spreading," I had to share something I heard the other morning.

Jim Hemerling, an organizational change expert with The Boston Consulting Group, presented an engaging talk on "5 ways to lead in an era of constant change."

Organizations (and the people who work in them) can get overwhelmed and worn down by the constant pressure to change. This is especially true when we consider the way that so many of us still approach the very idea of change. Confronted with this point, Hemerling admitted that it is hard to avoid change. It's fact of life. The reality is that organizations are constantly having to adapt; so much so that Hemerling calls this the era of "always-on" transformation.

Nonprofit organizations face this all the time. They are regularly bombarded with changes both planned and unplanned.

Changes in the economy, political climate, issues they address, and the community they serve are just a few of the dynamic elements of life in the nonprofit sector. The disruptions are inevitable. And organizations that can thrive in this environment are the ones that endure. It is as futurist and author Andrew Zolli asserts in his book *Resilience: How Things Bounce Back* it is their ability to "persist, even thrive, amid disruption" that sets truly sustainable organizations apart.

I am sure that most of us would agree that change is hard. Hemerling reminded his audience right up front that people naturally resist change, especially when it's imposed on them. But, he stresses, there are things that organizations do that actually make change even harder and more exhausting than it needs to be. For example, leaders can often wait too long to act, making everything a crisis. Or, given the urgency, leaders sometimes solely focus on short-term results, with no look to the future. Their hope is that they can return back to business as usual as soon as the crisis is over.

The result is that many organizations struggle in the face of change and transformation. They get overwhelmed and exhausted. They avoid all talk of change. And their ability to serve their community is subsequently diminished.

Some organizations, on the other hand, face change head on. They realize that in some cases, their organization must change, or it runs the risk of going out of business.

Last year, I attended an education session at Venable LLP (a Washington, DC based law firm with an excellent nonprofit practice group) on "*Thriving Amid Toil and Change: What All Nonprofits Can Learn From Nonprofit Turnarounds.*" The focus was a case study that explored how the American Alliance of Museums (AAM) was able to successfully orchestrate a massive turnaround and put itself on a solid growth trajectory. The presenters were AAM President and CEO Laura Lott and organizational management expert Pat Nichols, and they shared a number of

Jim Hemerling's 5 Strategic Imperatives Putting People First

Imperative #1

Inspire through purpose

Imperative #2

Go all in

Imperative #3

Enable people with the capabilities that they need to succeed

Imperative #4

Change is a constant; instill a culture of continuous learning

Imperative #5

Be directive, but be inclusive as well



Jim Hemerling: 5 ways to lead in an era of constant change • Filmed May 2016 at TED@BCG Paris

“keys to success” that enabled this large national association to effectively reinvent itself.

A major takeaway for me was their admonition to always remember that this is all about “people.” Whether it’s preparing people for change, identifying champions for change, or communicating the impact of change, it is all about the effect change has on an organization’s people. Zolli too points out that an organization’s people are key to what he calls the “regenerative capacity” of a nonprofit. They are the drivers of such capacity at any organization; they are the true agents of change.

I was reminded of this when, in his TED Talk, Hemerling drove a similar point home. His response to the issue of change was to lift up *five strategic imperatives* that can help leaders to be more effective when guiding their organizations through the era of “always-on” transformation. The one thing that united all five of these recommendations: They each put people first.

It’s a useful list and it rang true with me on many levels. It got me thinking about how each of these imperatives can specifically be applied to nonprofit management.

#1 - Inspire through purpose

Most organizations focus on the operational and financial outputs of change. Or perhaps the emphasis is on the scope of structural or procedural shifts that will result from any given transformation. But rarely are these a source for motivation or inspiration. The key is to connect the change with the real “purpose” for the effort – increasing/enhancing the organization’s ability to serve its community (or its clients, cause, etc.) A shared sense of purpose is essential to making change more people-focused. It’s the idea around which all of an organization’s people can rally and move forward; a unifying objective.



This concept was illustrated well during a session I attended on *Mindful Leadership* presented by Omidyar Group Managing Director Pat Christen at the 2015 Nonprofit Management Institute at Stanford University. (Andrew Zolli was also a presenter at this same institute.) Focusing on the Institute’s central theme of “resilience,” Christen emphasized how an organization might intentionally cultivate certain key ideals, the first of which was “purpose.” A steady goal, personally meaningful to all, can fuel an organization’s resilience. Coupled with a true sense of “connection” among a nonprofit’s staff (and board), this sense of purpose can instill in a nonprofit a true belief that they have a certain level of power to affect their own destiny. This, Christen suggested, is the “engine of motivation.”

#2 - Go all in

Too many times, unfortunately, transformations are nothing more than head-count cutting exercises, Hemerling reminded the audience. They’re seen merely as layoffs under the guise of transformation. Nonprofits as well as companies can easily get caught up in the thinking that change is only about cutting, reducing, or eliminating essential people, programs, priorities, etc. The key, Hemerling said, is to go “all in.”

Rather than exploring short-term, narrowly focused adjustments, organizations must look at the entirety of the enterprise. They must explore

initiatives that will create success conditions in the medium term. They must look for ways to drive growth, actions that will fundamentally change the way the nonprofit operates. They must look to make investments to develop the leadership and the talent that will drive the transformation. In short, transformation is not a time for small moves that tinker around the edges. It’s about bold, dynamic moves that match the dynamic world in which we operate.

It is also important to bear in mind that all parts of an organization’s operations and work are integrated and interdependent. Going “all in” means that nonprofit leaders should consider transformation in a holistic way. To focus a transformation effort solely on staffing or solely on funding, for example, leaves the job half-done. An “all in” approach suggests that to transform, an organization must look equally at its program management, communication strategy, planning and evaluation processes, business model, and governance. In other words, they need to look at it all!

#3 - Enable people with the capabilities that they need to succeed

Hemerling related the story of Chronos, a global software company, who recognized the need to shift from building software products to providing software as a service. To enable its people to make that transformation, they invested in new tools that would enable employees to monitor the new service’s function and customer impact. They invested in skills development, so that employees could engage with customers more effectively. And very importantly, they reinforced the collaborative behaviors that would be required to deliver an end-to-end seamless customer experience.

Enabling their people to succeed is a key role for organizational leaders. Nonprofits too must make similar investments to ensure that their employees, boards, and volunteers are set up for success. They should prioritize training, professional development, inter-departmental collaboration, and knowledge-sharing as essential to the organization's ability to achieve its mission. And they should ensure that this support not only guides the organization's people during the transformation, but also beyond.

Investing in people is not a temporary fix to a challenging situation. It must be an organization-wide value and a sustained strategic priority. Over my many years on the Selection Committee of the Washington, DC region's top award for excellence in nonprofit management, I consistently saw among the top performing organizations a true commitment to their people. I saw organizations with dedicated budget priorities for professional development, training and personnel support. I saw organizations that focused on specialized training and guidance for staff at all levels, not just top-line managers. These organizations understood that their staff can achieve great things when they are provided the tools and resources they need to be successful.

#4 - Change is a constant; instill a culture of continuous learning

Learning is a vital component of change. The Leap of Reason Ambassadors Community, a cadre of nonprofit executives and other leaders from the sector committed to nonprofit success, developed a set of management ideals they have named *The Performance Imperative*. (See diagram at right) Structured around seven "pillars of high performance" the Imperative lays out an instructional framework for how nonprofit organizations can succeed and increase their ability to have greater social impact.

Its 5th Pillar – *A culture that values learning* – reinforces the critical role that ongoing learning and exploration have in a nonprofit's life. People throughout an organization should be encouraged to be curious, ask questions, and push each other's thinking. Innovation is a central driver, as every program and process eventually becomes dated, even obsolete. Successful organizations understand that in an "always-on" transformation framework, everyone must be asking, "How can we do this better?" The Performance Imperative asserts that even the busiest leaders, managers, and staff members should carve out some time to "step back, take stock, and reflect."

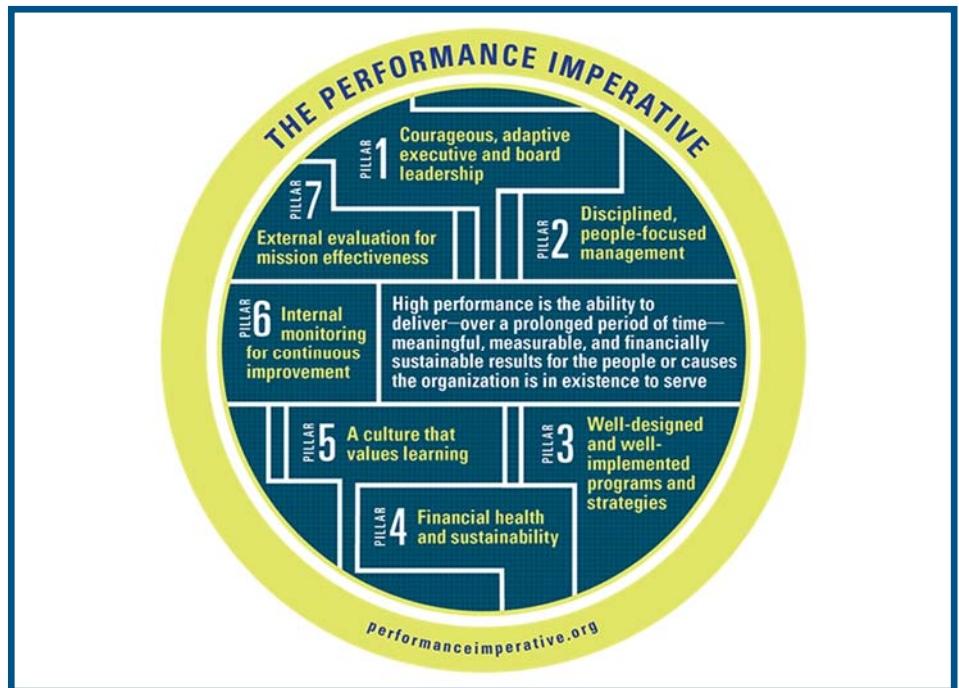
In their book *The Sustainability Mindset*, Jeanne Bell and Steve Zimmerman suggest a new paradigm for strategic thinking. And continuous learning is right in the middle of that new paradigm. They describe a shift away from the standard "plan then implement" model to a more dynamic approach. They suggest a continuous cycle of "ongoing decision making" that leads to execution followed by learning. And this learning brings the

organization right back to ongoing decision making as the cycle begins again.

I have seen this in operation at a number of high performing organizations. It creates a nimble, flexible approach to management that is always exploring new ways to respond to changes in their operating landscape. For these nonprofits, continuous learning leads to continuous opportunities.

#5 - Be directive, but be inclusive as well

Good ideas can come from anywhere and from anyone. Hemerling spoke of how the San Francisco Warriors won the 2015 NBA championship in part because Head Coach Steve Kerr was open to a seemingly radical approach suggested by a young assistant. The head coach had created a culture that signaled an openness and willingness to include, even welcome, everyone's opinions. Kerr was in charge to be sure, but his interest in other ideas made him a



The Performance Imperative - Developed by the Leap of Reason Ambassadors Community

better leader. And when they won the championship, he gave all the credit to the young assistant and his bold idea.

Inclusion can take many forms. For organizations, it can mean that “power” or “authority” is distributed and shared, rather than centralized and exclusive. Everyone has the ability to affect the organization’s success. And while everyone should be united behind a single purpose (Imperative #1) it does not necessarily mean that everyone gets there using the same approach, perspective, or thinking. Andrew Zolli calls this “cognitive diversity” and suggests that it is a key ingredient to an organization’s ability to be resilient. Organizational leaders can intentionally create a culture where everyone’s voice is heard, where solutions are born from the broadest range of inputs and perspectives. A great sense of strength is created when every staff member knows that they are surrounded – and supported – by colleagues with diverse abilities, skills, and ideas, all focused on strengthening the nonprofit.

A 2011 research paper published in Human Resources Management Review specifically refers to the “psychological safety” that’s engendered when people understand that their work environment fosters this type of inclusiveness and openness to diverse perspectives. When a nonprofit encourages staff to collaborate and work together in this setting, people find that they have access to what the paper called “broad resource networks.” They know and trust that when a challenge arises, they can turn to their colleagues who are ready to provide meaningful support as solutions to the challenge are explored and ultimately implemented.



These imperatives for “people first” leadership are excellent guidelines for anyone in the sector. While offered specifically for those in “leadership” positions, I believe that they offer all of us useful

suggestions for how we can approach our work, regardless of our level or position. Supervisors and managers can employ these concepts as easily as an executive director or CEO. Board chairs can use them both in guiding a board’s own behavior as well as in assessing the ways that their CEOs are leading their organizations toward success. Funders and donors can use these to understand how strategic philanthropic interventions can impact an organization’s ability to be resilient in the face of challenge and disruptions.

Take a few minutes and listen to Hemerling’s TED Talk. I hope that it will inspire you the way that it did for

me. Reflect on your own leadership style and practices, and explore what you can do to make a difference in the organizations or causes you support.

I will conclude with Hemerling’s closing: “In the era of ‘always-on’ transformation, organizations are always going to be transforming. But doing so does not have to be exhausting. We owe it to ourselves, to our organizations and to society more broadly to boldly transform our approach to transformation. To do that, we need to start putting people first.”

Good words to lead by.



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Direct Link to Jim Hemerling’s TED Talk:
[5 ways to lead in an era of constant change](#)

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Leap of Reason Ambassadors Community, *The Performance Imperative: A framework for social-sector excellence*, licensed under CC BYND <https://creativecommons.org/licenses/by-nd/4.0/> [Click here to download a copy.](#)

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Note: For printed versions, the links above can be found in the “Writing” section of the firm’s website.



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