What Helps Leaders Grow

Highlights from the Fund for Leadership Advancement

BTW
INFORMING CHANGE®

Lessons learned from our grantmaking programs

INSIGHT
Contents

Foreword 2
Introduction 3
About the Fund for Leadership Advancement 4
Reflections on Leadership Funding 6
Grantee Characteristics Linked to Success 10
Results in the Leaders’ Words 13
Opportunities to Improve 16
Leading Change 17
Launched in 2006, the Fund for Leadership Advancement is an initiative of The James Irvine Foundation that aims to build the capacity of grantee organizations by cultivating the skills and strengths of their leaders. Irvine’s grantmaking has long been informed by a belief in the linkage between strong executive leadership and high performing organizations. We know that in order to achieve the social impact we seek, we need strong nonprofit partners, with effective leadership skills.

In creating the Fund, the Foundation sought to test theories about the value of flexible, customized and focused support for selected leaders of Irvine’s grantee organizations. Since its launch in 2006, Irvine has awarded more than 40 grants through the Fund to provide this type of support. A formative evaluation of the first 20 grantees, discussed in this brief, suggests that this approach leads to positive changes for both leaders and their organizations; the evaluation also identifies some areas for attention and improvement as this initiative continues. We are sharing these initial results broadly, as they provide an additional vantage point for those who study, fund and practice leadership development.

As we publish this brief, we also acknowledge that the economic downturn has created a new reality for all nonprofit leaders. In fact, the brief provides references to organizational growth — sometimes as an indicator of success, and other times as a challenge to leaders and organizations struggling to keep up with the pace of change, and there is no doubt that change will be a watchword going forward. The Foundation is responding to this new reality by asking grantees in this initiative to explicitly address how the recession affects their current leadership needs and development strategies and how they are adapting their organization to the changes in economic circumstances. We plan to report in future briefs what we learn from this most recent period.

Regardless of the changes we are experiencing, we are persuaded that a focus on leadership development is important in both good and bad economic times. Indeed, it may be that maintaining this focus in these more challenging times is even more critical, both because our nonprofit partners may be less prone to invest in themselves and also because nurturing and supporting nonprofit leaders is even more vital in times such as these. We hope these initial findings prove useful and look forward to sharing what we continue to learn as this initiative evolves.

James E. Canales
President and Chief Executive Officer
The James Irvine Foundation
October 2009
Executive directors are as unique as the nonprofits they lead. And the leadership needs of their organizations vary over time — as different points in the life of a nonprofit call for different competencies. The most effective leaders continually assess organizational needs and strengths, and enhance their skills to match realities and opportunities facing their nonprofits. Advancing a leader’s capabilities requires individualized support delivered in a manner relevant to this organizational context.

This brief describes the Fund for Leadership Advancement, a grantmaking initiative of The James Irvine Foundation, and reviews key findings from a two-year formative evaluation of the first 20 organizations and leaders who received support through the Fund. The evaluation was conducted by BTW informing change, a firm that provides information-based services, including evaluation, to the nonprofit and philanthropic sector. BTW’s full evaluation report is available on Irvine’s Web site.
The Fund for Leadership Advancement was established to support the executive directors of selected grantee organizations in the self-reflection and development needed to propel their organizations toward the next stage of growth and allow them to respond to new opportunities or take advantage of shifting external conditions. Though the Fund originally focused on growth opportunities, we recognize that in the current economic environment, organizational adaptation may be more relevant. We define organizational “adaptive capacity” as an organization’s ability to initiate and implement purposeful change in response to shifts in its operating environment.

The Fund was designed on the principle that effective leadership development support must be customized, flexible and sustained, enabling participating leaders to use several strategies for development that are tailored to their leadership, their organizations and the environments in which they operate, even as these elements evolve over time. The Fund supports several activities, including visits to peer institutions, participation in executive seminars, organizational development consulting and more — all integrated with the assistance of an executive coach over the course of two years.

From 2006 through 2009, the Fund awarded a total of $2.7 million in grants to 43 organizations to support leaders. Grants range in size from $35,000 to $75,000. For more information about the Fund for Leadership Advancement, including a list of current and former recipients, visit irvine.org/fla.

The Fund is managed by a team of staff from across the Foundation’s three core program areas, who oversee a two-part application and proposal process. The grantmaking process was designed to support careful consideration of the characteristics of individual leaders and their organizations, to provide a context for decisions about customized support strategies. As an important component to the grantmaking process, Irvine provides services from an organizational development consultant who helps grantees develop a thoughtful plan of action.

In addition to the BTW evaluation, the team is actively engaged in gathering feedback from grantees and making refinements to the Fund as need arises.
The evaluators developed a theory of change to document the FLA model, illustrated below, which shows who the Fund targets and how the activities are designed to support outcomes. The evaluation confirmed that participants shared a set of key characteristics and the goal of increased organizational effectiveness through enhanced leadership capacity. Grantees select from several Fund-supported activities to devise a leadership advancement plan, adjusting these supports over time if needed to achieve the goal.

### Theory of Change

**GOAL**
Increase organizational effectiveness by enhancing leadership capacity

**PRINCIPLES**
Effective leadership development support is flexible and customized
Leaders should have access to integrated leadership development services

---

**PARTICIPANT CHARACTERISTICS**

- More than two years’ experience as the executive director
- Clear vision of the organization’s future and priorities
- Understand their role and the organization’s internal and external change drivers
- Know the leadership qualities they wish to develop
- Link their performance to that of the organization
- Desire to reflect, learn and develop

**PROGRAM ACTIVITIES**

- Planning and project support (via the Irvine organizational development consultant)
- Executive coaching
- Executive seminars
- Peer learning via site visits

**SHORT-TERM OUTCOMES**

(18–24 MONTHS)

- Improved leadership skills
- Increased professional accountability, self-knowledge and job satisfaction
- Increased access to a network of resources and expertise

**LONG-TERM OUTCOMES**

(2+ YEARS)

- Greater effectiveness in ability to develop and implement their vision for their organizations
- Increased executive director longevity in their current roles and in the nonprofit sector

---

**ORGANIZATIONS**

- Grantees of The James Irvine Foundation
- Budgets over $500,000
- At least five staff
- At an inflection point*
- Not in crisis
- Board commitment to the process
- Strategic plan recently completed

- Organizational consulting (including assessment and development of the board and leadership system)
- Other consulting (i.e., marketing, fundraising)

- Initial steps taken toward organizational change
- New or enhanced structure that supports planned growth, distributes leadership and optimizes roles of senior managers
- Increased alignment among executive leadership, staff and board regarding organizational vision
- New or expanded resources devoted to advancing the organization’s mission and goals

- Increased organizational ability to adapt to internal and external conditions
- Improved organizational performance, relevance and impact

---

*For the purposes of the Fund for Leadership Advancement, an “inflection point” is a pivotal moment during the life of an organization, e.g., recent articulation of a new or expanded vision or mission; new infusion of significant resources; opportunity to leverage external capacity; or a significant organizational transition or change.
Reflections on Leadership Funding

The evaluation indicates that a flexible set of strategies that include executive coaching and organizational consulting, in service of clear goals for achieving organizational impact, led grantee organizations to operate with greater effectiveness. These gains were achieved with a relatively small financial investment provided over two years. The evaluation suggests that the following factors contributed most to positive results.

Pre-grant Process: Application, Assessment and Proposal Support

Prospective grantees are asked to submit a brief application that identifies their stage in the nonprofit organizational lifecycle (depicted on page 10) and includes a self-assessment of their readiness for the initiative. Based on these applications, leaders and their organizations are invited to begin the proposal development process with guidance from an Irvine consultant who could help them plan how best to use grant dollars. Bringing both organizational development and executive coaching qualifications, Irvine’s consultant helps participating organizations and leaders set goals, develop plans in the proposal and identify coaches, consultants, seminars and other resources to implement the plan.

Initiative-wide Consultant: Guidance and Accountability

In addition to providing pre-grant guidance, the Irvine consultant provides ongoing advice and a mechanism for accountability with regular check-ins throughout the grant period. The consultant formally meets with grantees at the beginning of the grant to help launch leadership advancement work. At six-month intervals during the grant, the consultant checks in to give executive directors the opportunity to pause and reflect on their experiences and progress to date, to revisit goals still awaiting completion, and to make midcourse adjustments and refinements as needed. Evaluation findings showed that the Irvine consultant ensured focus and momentum throughout the grant period and helped reinforce the Foundation’s expectations of what would be achieved through the grant.

Leadership Development Strategies: Varied, Flexible and Tailored

Executive directors found value in a variety of Fund for Leadership Advance strategies depending on their work styles and needs. In the evaluation, the two types of support most frequently cited by executive directors as very helpful were executive coaching and support from an organizational development consultant.

Executive directors experience synergy across strategies where they are able to combine and sequence the strategies appropriately. For example, having a coach at the start of the project helps many executive directors to more effectively choose and plan site visits to peer organizations and/or executive seminars. Coaches and consultants also help Fund participants apply key lessons from these events. Many grantees choose to start with an objective, third-party assessment of their management and leadership styles, which they then use with the executive coach to focus their efforts.
Beyond particular strategies, intentional flexibility in the design of the Fund for Leadership Advancement allows grantees to be responsive to relevant issues and opportunities that arise during the grant period. Evaluation of the first 20 grants showed that while executive directors’ overall Fund-related goals remained the same throughout the initiative, 57 percent of them made changes to specific activities, most commonly due to new opportunities, perspectives or information gained through their Fund for Leadership Advancement support.

**Coaching and Consulting: Advancing Leaders and Enhancing Organizations**

Coaching is a particularly effective strategy to help executive directors reach their Fund for Leadership Advancement goals. Although coaching is new to many of the executive directors, the evaluation showed that they welcomed it and considered it an invaluable support in a number of ways:

1. Coaches provided one-on-one, confidential support in which executive directors could discuss personal and professional issues and receive objective feedback
2. The coach role served as a lynchpin of the Fund grant and helped to focus, coordinate and sequence Fund activities throughout the grant period
3. Coaches held executive directors accountable for making progress toward their goals

Specific design elements that contributed to a successful coaching relationship included:

- Identification of a coach early on, with opportunity to receive assistance in selecting a coach
- Allocation of an adequate portion of the budget to allow for coaching throughout the grant period
- Articulation, in writing, of specific coaching goals, expectations and format
- Regularly scheduled in-person or phone sessions to establish structure and accountability with informal email or phone communication on an as-needed basis
- Use of 360-degree assessments among executive directors, senior staff and board members at the outset of the grant to inform coaching goals
- Clarification and communication about the purposes of the coaching engagement when coaching expands to include board members and/or senior staff
The Coaching and Philanthropy Project

The Coaching and Philanthropy project was created to assess and advance the use of coaching as a strategy for building effective organizations within the nonprofit sector. This project grew out of the recognition that the fields of coaching and philanthropy have much to contribute to one another. In partnership with Grantmakers for Effective Organizations, BTW informing change, and Leadership That Works, CompassPoint Nonprofit Services has launched a project to:

- Help nonprofits become conscious consumers by making the best use of coaching as a means for leadership development and organizational effectiveness
- Help foundations understand how coaching fits as a strategy for leadership development and organizational effectiveness
- Develop the coaching profession to most effectively support the needs of nonprofit organizations, leadership development, and organizational effectiveness and engage nonprofits in a healthy way

This project is funded by the W.K. Kellogg Foundation with support from the David and Lucile Packard Foundation, The James Irvine Foundation, and The Harnisch Family Foundation. More information and resources about coaching are available at www.coachingnonprofits.org.

Organization-focused consulting helps to link the executive director’s leadership development to needed changes in the organization. Organizational development consultants focus on the leadership system of executive directors, senior teams and boards, and help executive directors identify staff and board issues that impair organizational effectiveness. Early in the initiative, it became apparent that this type of broad consulting approach — one that addresses organizational structure, systems and work processes — offered Fund grantees more value than consulting that focuses on specific content areas only.

Some grantees have found that working with a consultant qualified to deliver both one-on-one executive coaching with organizational consulting was a particularly useful strategy. At times, executive coaching is more effective when informed by a comprehensive understanding of the needs and challenges of the organization — the context of the executive director’s work. In situations where the same consultant provides both coaching and organizational development assistance, it is even more important to clarify roles and expectations for the consultant, staff and the board.

Blending [coaching and organizational consulting] was helpful to me because [the consultant] knew what I went through on a day-to-day basis and how the board wasn’t as engaged as they could be organizationally.

— Executive Director

Duration: Two Years or More

While many leadership development programs focus their funding for a period of a year or less, the Fund for Leadership Advancement provided grants ranging from $35,000 to $75,000 over the course of two years. In the evaluation, participants, coaches and consultants observed that the focused, sustained nature of this grant seemed to enable greater change.
Consulting support begins as early as three months prior to the grant during the proposal-development process. Since the leaders are in the Foundation’s core portfolio, in some cases Irvine has provided additional support following the grant period to ensure completion of some of the Fund’s objectives and the institutionalization of new capacities, both organizational and individual.

The amount of time executive directors spend pursuing Fund for Leadership Advancement goals varied, though more than three-quarters of the executive directors who participated in the evaluation reported spending less than four hours each week on Fund-supported activities.

**Cultivating Leadership at Visual Communications and Beyond**

As a first-time executive director with minimal executive leadership experience, Leslie Ito found herself working closely with the board and senior staff of Visual Communications, an Asian Pacific American Media Arts organization, to realign the organizational structure and improve operating efficiency.

When Ito applied for a Fund for Leadership Advancement grant, the Irvine consultant helped her focus her ideas for Fund goals and activities. She hired an executive coach who assessed her skills and performance. Based on the assessment, the coach created a roadmap for Ito’s leadership development, highlighting areas to focus on, including strategic communications. When Ito attended a two-week executive training course, the executive coach helped her set goals beforehand and apply what she learned afterward.

Working together, the executive coach and a board consultant facilitated board retreats, leading to the creation of an executive committee, new board/staff workgroups, a board leadership transition plan and new organizational by-laws. They also worked with Ito to promote and hire key staff positions and institute new job descriptions, formal performance reviews and monthly reporting systems.

Two years after the grant began, Ito accepted a position as the director of grant programs at the Los Angeles County Arts Commission and later joined the California Community Foundation as the program officer for the arts. The Fund for Leadership Advancement approved reallocation of some grant funds to help Visual Communications conduct an executive search.

Though Ito has transitioned, the benefits of her involvement in the Fund are still being realized, according to her former coach: “Visual Communications not only has a stronger organization but [the Community Foundation] has a stronger program officer.”
Grantee Characteristics Linked to Success

While all grantee organizations and leaders had to meet several criteria to be considered for a grant, the evaluation showed that grantees that achieved the most positive outcomes exhibited the following characteristics.

**Lifecycle Stage: Greatest Benefit in Adolescent and Renewal Phases**

An organization’s ability to change appeared strongly related to its stage within an organizational lifecycle. The organizational lifecycle model used as a reference is illustrated below. During the evaluation, many Fund for Leadership Advancement participants had recently undergone significant growth or were on a quick growth trajectory at the time of their grant. Many were experiencing an influx of new resources or programs or were in the midst of expansion.

The evaluation showed that grantee organizations that experienced such an inflection point while moving from adolescence to maturity and those that were circling back in the lifecycle as the result of a renewal phase seemed to be the most capable of managing change and tended to benefit the most from a Fund for Leadership Advancement grant. Smaller organizations in an early lifecycle stage of development tended to focus on basic management skills and did not achieve transformational change.

**Nonprofit Organizational Lifecycle Model**

![Nonprofit Organizational Lifecycle Model](image)

This model is adapted from Susan K. Stevens’ *Nonprofit Lifecycles: Staged-Based Wisdom for Nonprofit Capacity* (Stagewise Enterprises, Inc., 2002).
Staff: Size and Experience Matter

Generally, organizations with more staff — particularly experienced senior management staff — realize greater impact from Fund for Leadership Advancement grants. These organizations prove better able to undertake organizational changes, such as shifting the executive director’s role to a more external focus and establishing a structure of shared leadership with senior staff and the board.

In organizations with fewer staff, senior staff were often unavailable to assume some of the executive director’s day-to-day organizational operations and management responsibilities. The evaluation found that midcareer executive directors (with about 10 to 20 years of professional nonprofit experience) tended to embrace and experience change more easily than grantees later in their careers, especially those nearing retirement. Fund supports were particularly timely for first-time executive directors and those who were promoted to this position from within their organizations.

Board: Involved Early, at High Levels

Participants reported significant time investments in aligning their boards toward a common vision and improving board effectiveness. Executive directors accomplished this through a number of strategies, such as increasing board size to make room for new board members with relevant skills or expertise, developing the skill set of current board members, restructuring via committees, clarifying board member expectations and roles, and implementing board performance measures.

For some grantees, board issues became more important in their leadership advancement work than originally expected. As organizations advanced to new levels of maturity, many executive directors realized that their boards should be more focused on planning and advising on strategic issues.

The evaluation has shown that higher levels of board involvement in Fund activities leads to greater organizational impact. While board commitment was a prerequisite for a grant from the Fund, grantee organizations achieved greater success when verbal or written commitment was accompanied by tangible involvement of board members in the change effort. Outside consultants played important, neutral roles in facilitating board reflection. Having an active, engaged leader within the board also proved critical.

Board development is a long and slow process. Board involvement typically extended the time it took a grantee to achieve its Fund goals, but it brought about more significant and widespread changes. This was especially important for certain types of changes such as increasing the board’s role in setting strategy, assessing performance, fundraising and expanding the organization’s reach and visibility in the community.

[Participating in the Fund] opened dialogue and allowed me to reorganize the board with new committee structures. We now have committees that fit the needs and goals of the organization and the board is more proactive.

— Executive Director
Executive: Engaged in Self-Reflection and Action

Executive directors who continue to engage in active self-reflection and action during the grant period, regardless of the challenges that arose, tend to have greater success in meeting their goals. During the proposal development process, leaders are asked to reflect on and describe their expectations for how the grant would enhance their individual leadership attributes and build the capacity of their organizations. The change process, induced by the grant, frequently leads to more challenges than anticipated, requiring dedicated time and persistence.

For many executive directors, personal understandings of leadership changed as a result of the grant as they realized that in order for their organizations to advance, they needed to go beyond changes in organizational structures and roles to changes in their personal leadership style, including how they engage their staff and board. Executive directors who had the willingness and confidence to change their own leadership style were able to do so, aided by 360-degree assessments and executive coaching.

Learning Opportunity: Crisis Management

The evaluation showed that as a result of the Fund for Leadership Advancement, grantees managed crises in a more proactive and effective manner. While the absence of crisis was a specific criterion for receiving a Fund grant, unforeseen crises did occur during grant implementation. While crises distracted organizations from their Fund grant activities to different degrees, they also provided timely opportunities to draw upon Fund supports, such as executive coaches and consultants, to help navigate these situations and extract useful lessons for the future.

Keeping Up with Growth at Youth Speaks

Just 10 years after it was founded by James Kass, Youth Speaks has grown to directly support 45,000 Bay Area youth and reach an additional 250,000 through 40 programs nationwide. Its work of applying the talents of youth to combat literacy, alienation and silence proved highly attractive to supporters and participants. “When an organization experiences such a high rate of program growth,” said the board chair, “it literally takes some external force and funding to create the space for the executive director and the leadership team to make the necessary adjustments. You cannot possibly deal with the day-to-day operations and plan for professional development, strategic planning and long-term sustainability when you are already stretched thin organizationally.”

Kass used a Fund for Leadership Advancement grant to hire an executive coach, attend the Stanford Business Program for Nonprofit Leaders and conduct peer visits to other nonprofit sites. The coach helped Kass develop his leadership skills and shift his attention from day-to-day management to the mission and trajectory of the organization, including board development, organizational strategy and fundraising.

In 18 months, Kass had adopted a new approach to the organization’s leadership, resulting in the creation of an executive management team and the hiring of Youth Speaks’ first managing director. The board has doubled in size and is increasingly involved.

Kass reports greater knowledge sharing and confidence among the staff, especially the younger members: “They were always inspired, but now they are empowered,” he said.
Surveys and interviews of executive directors and their colleagues at organizations participating in the Fund for Leadership Advancement revealed perceived gains — for both nonprofit leaders and their organizations.

**Greater Self-awareness**

Executive directors gained knowledge and awareness about their own leadership styles and about how leadership style impacts the effectiveness of their organizations. For example, executive directors commonly recognized the need to delegate more internally in order to increase their focus on external issues and were better able to visualize the specific steps they needed to take to do this.

**Improved Skills**

Participating executive directors reported that the grant provided an opportunity to strengthen a range of professional skills, including managing change, working with the board and delegating work. The degree of improvement achieved varied by the skill addressed. Reported skill improvements are illustrated below.

**Enhancements in Executive Director Leadership Skills and Capacities (n = 21)**

<table>
<thead>
<tr>
<th>Skill</th>
<th>No Improvement</th>
<th>Little Improvement</th>
<th>Moderate Improvement</th>
<th>Large Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ability to manage organizational change</td>
<td></td>
<td></td>
<td></td>
<td>3.65</td>
</tr>
<tr>
<td>Ability to work with organization’s board</td>
<td></td>
<td></td>
<td></td>
<td>3.60</td>
</tr>
<tr>
<td>Team building and management skills</td>
<td></td>
<td></td>
<td></td>
<td>3.60</td>
</tr>
<tr>
<td>Ability to establish a vision for organization</td>
<td></td>
<td></td>
<td></td>
<td>3.50</td>
</tr>
<tr>
<td>Solicitation of feedback from others</td>
<td></td>
<td></td>
<td></td>
<td>3.41</td>
</tr>
<tr>
<td>Ability to delegate work effectively</td>
<td></td>
<td></td>
<td></td>
<td>3.40</td>
</tr>
<tr>
<td>Skills in delivering feedback to others</td>
<td></td>
<td></td>
<td></td>
<td>3.33</td>
</tr>
<tr>
<td>Ability to communicate effectively on behalf of organization</td>
<td></td>
<td></td>
<td></td>
<td>3.33</td>
</tr>
</tbody>
</table>

Note that this chart and others display survey results for 21 leaders because one of the organizations included in the evaluation had a co-CEO leadership structure, and both leaders were included in the evaluation.
Higher Satisfaction

Most executive directors reported higher job satisfaction, typically due to an improved work-life balance. For some, greater job satisfaction resulted from a change in job responsibilities, such as shifting away from day-to-day management to focus on higher-level vision and strategy.

Better Networked

Executive directors reported greater access to relevant leadership and management contacts and resources. Fund-supported activities, such as executive seminars and peer organization visits, connected them with like-minded professionals, offered different perspectives and gave them opportunities to learn from others’ experiences. Some executive directors reported adopting specific models, tools and strategies as a result of networking opportunities.

Shared Leadership

Fund for Leadership Advancement grants helped organizations distribute leadership responsibilities among senior staff and enhance the effectiveness of senior teams, allowing executive directors to increase their external focus. Grantees made changes to internal structures, policies and processes, and they shifted and clarified the roles and responsibilities of senior staff. For some grantees, this required an expansion of the leadership team, such as hiring a chief operating officer.
**Leading Together at the Orange County Community Foundation**

In the midst of rapid growth, the Orange County Community Foundation also hoped to increase its visibility. But without a shift in responsibilities, Community Foundation President Shelley Hoss was unsure that she could make room in her already full schedule to do so.

With Fund for Leadership Advancement support, including an executive coach, Hoss was able to change her organization’s leadership model from one driven by a charismatic leader to one characterized by shared leadership. She made adjustments to the senior team’s roles and responsibilities and, in places where the organization didn’t have the right people, she changed the staffing.

“The people who work for [Hoss] had more capacity than was being utilized, and they have now moved up,” reflected one board member. “We didn’t add staff, but we were able to grow with better management.”

The board has shifted its work, now focusing more on strategic decisions and leaving activities such as grants analysis and investment management to the senior team. Members of the senior staff interact more with the board and are more visible at board meetings. Hoss says she now coaches staff more than she manages them.

Hoss and her team completed the expected three-year strategic plan in only 18 months. She attributes this accomplishment to the restructuring of leadership and said, “The coach was the means to do this, providing guidance and holding us accountable for what we had agreed to do — because it is so easy to succumb to the tyranny of the urgent.”

**Expanded Organizational Capability**

Well over 80 percent of executive directors and their colleagues surveyed through the evaluation reported enhanced capacity and better functioning of their organizations due to Fund for Leadership Advancement supports. Executive directors described tangible changes, such as more strategic actions, a more effective leadership team or better alignment around an organizational vision. Most also reported confidence that these changes would be institutionalized and that their organizations would continue to build on these successes following completion of their grant.

**Improvements in Capacity and Function of Organizations (n = 21)**

<table>
<thead>
<tr>
<th>Category</th>
<th>No Improvement</th>
<th>Little Improvement</th>
<th>Moderate Improvement</th>
<th>Large Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization’s ability to think and act strategically</td>
<td>3.83</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The effectiveness of the senior leadership team</td>
<td>3.72</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall functioning of the organization</td>
<td>3.65</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alignment around organizational vision</td>
<td>3.60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The effectiveness of the organizational structure</td>
<td>3.45</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The effectiveness of the board</td>
<td>3.26</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Mean Improvement Rating**

1.00 2.00 3.00 4.00
The Fund for Leadership Advancement is ongoing, with continual consideration given to the application and proposal processes, as well as the nature of support. The following issues are under consideration by the Irvine Fund for Leadership Advancement team.

**Strengthening the Leadership System**

While the Irvine team views executive directors as the key leverage point for organizational change, change by the executive has implications for the leadership team within any organization. Executive directors have the flexibility to choose whether they will focus their Fund project on their individual leadership capacity or on the organization’s leadership system. Grants that have addressed changes in the senior leadership of an organization have required more time and resources to build capabilities across the team and have often also required adjusting staffing to enable the executive director to shift his or her attention from internal operations to being more strategically and externally focused. The team is considering how to support development of the leadership team within the scope and parameters of the Fund.

**Executive Leadership Challenges**

Two situations have been particularly challenging in the Fund for Leadership Advancement: leadership turnover and dual leadership. Among the grantee organizations funded from 2006 to 2008, 15 percent of executive directors — from six out of 39 organizations — left their positions during the grant period, and five others have left their organizations since. There is no clear pattern to the turnovers, and we anticipated leadership changes based on our experience with other long-term initiatives. In most cases, we know that these leaders’ skills continue to benefit the field, as in the story highlighted on page 9.

Dual leadership situations such as co-directors or artistic and managing directors also added a degree of complexity. Though these arrangements were more challenging to plan for, the grant work helped co-leaders redefine their respective roles to each other and their organization, making roles more distinct and complementary, which ultimately improves their working relationship.
Leading Change

Initial experiences and evaluation indicate that the Fund for Leadership Advancement initiative has helped to build the capacity of nonprofit organizations for a relatively modest investment in the professional competencies of their leaders.

Too often, nonprofit organizations focus disproportionate attention on the growth and success of their programs and services, risking the organizational and leadership capacities needed to sustain them. The Fund for Leadership Advancement initiative helps to avoid or address these situations. Its structure helps nonprofit leaders access the time, resources and accountability they need to address core aspects of their own leadership — advancing their professional development and the effectiveness of their organizations. Evaluators of this initiative have suggested that the nonprofit sector could benefit from a broad replication of the approaches they tested.
ABOUT INSIGHT
INSIGHT is a periodical publication of the James Irvine Foundation, designed to provide nonprofit and community leaders, grantmakers, policymakers and other audiences with information about what we are learning from our grantmaking programs. Insight and its partner publication, Insight Brief, are available free of charge from the foundation’s web site, www.irvine.org.

ABOUT THE JAMES IRVINE FOUNDATION
The James Irvine Foundation is a private, nonprofit grantmaking foundation dedicated to expanding opportunity for the people of California to participate in a vibrant, successful and inclusive society. The foundation's grantmaking focuses on three program areas: arts, California democracy and youth. Since 1937 the foundation has provided over $1 billion in grants to more than 3,000 nonprofit organizations throughout California. With $1.3 billion in assets, the foundation made grants of $78 million in 2008 for the people of California. For more information about the Irvine Foundation, please visit our web site at www.irvine.org or call 415.777.2244.

ABOUT BTW INFORMING CHANGE
BTW Informing Change (BTW) is a strategic consulting firm that provides evaluation and organizational learning support to philanthropic and nonprofit organizations. BTW strives to inform change in the nonprofit and philanthropic sectors by working in partnership with clients to design and implement evaluations, assist with program and organizational planning, and conduct applied research. To find out more about BTW, visit www.btw.informingchange.com.

The James Irvine Foundation
575 Market Street
Suite 3400
San Francisco, CA 94105
415.777.2244
865 South Figueroa
Suite 1320
Los Angeles, CA 90017
213.236.0552
www.irvine.org

BTW Informing Change
2550 9th Street
Suite 113
Berkeley, CA 94710
510.665.6100
www.btw.informingchange.com

© 2009 The James Irvine Foundation. This edition of Insight may be reprinted or photocopied for free distribution, with attribution to the James Irvine Foundation.