Cultivating Ethical, Effective Nonprofit Leaders: Developing a Modular Toolkit
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Introduction

In the last decade, reports about the increasingly diverse U.S. population, our advancing technologies, and the growth of the nonprofit sector underscore the reality that a focus on nonprofit sector workforce preparation is more important than ever. Yet at the same time, there is an identified leadership gap. Further, with majority of work done in small nonprofits, many lack resources to focus on the development of ethical leaders. Drawing on nonprofit leadership research and engaging partnership with nonprofits in a northern California community, this project identified ethical leadership competencies for nonprofit, surveyed local goals for leadership development, and developed an accessible, cost-free curriculum with articles, tools, activities, and resources to foster ethical leadership development for all levels of the nonprofit sectors.

Guided by the overarching goal to support nonprofits in developing a cadre of committed leaders, firmly grounded in the core values and ethics of the nonprofit sector, who can strengthen the sector as they enhance trust, work collaboratively, advocate effectively, and increase collective impact, the following key objectives defined the project:

- Identify primary leadership gaps and of nonprofit staff and volunteers using archival data, key stakeholder/expert interviews, and surveys.
- Review literature to identify core competencies for nonprofit leaders.
- Develop a no-cost, module-based curriculum with accessible resources that can realistically be practically implemented in a small to medium sized nonprofit.

1. Primary data: Surveys of CNL Members

If you are in leadership, do you feel you have ample upcoming leaders to fill the needs to sustain your nonprofit?

When you were searching for your current job, were you looking at both nonprofit and for profit positions?

If or when you seek a next job, will you look specifically in the nonprofit sector? Why or why not?

Do you see defining differences between nonprofit and private sector? If yes, list 1-3 topic differences.

Does your organization offer regular ethics training?

Does your organization offer leadership development or training?

Is there any professional or leadership development you wish you had to better prepare you for your role in nonprofit?

Does your job reflect your values? In what ways does it not?

2. Primary data; Expert Key Informant Interviews (Semi-structured with guiding questions)

What are the greatest leadership challenges facing nonprofits?

What competencies are important for nonprofit emerging leaders to develop?

How can we better connect with higher education to support nonprofit leadership development?
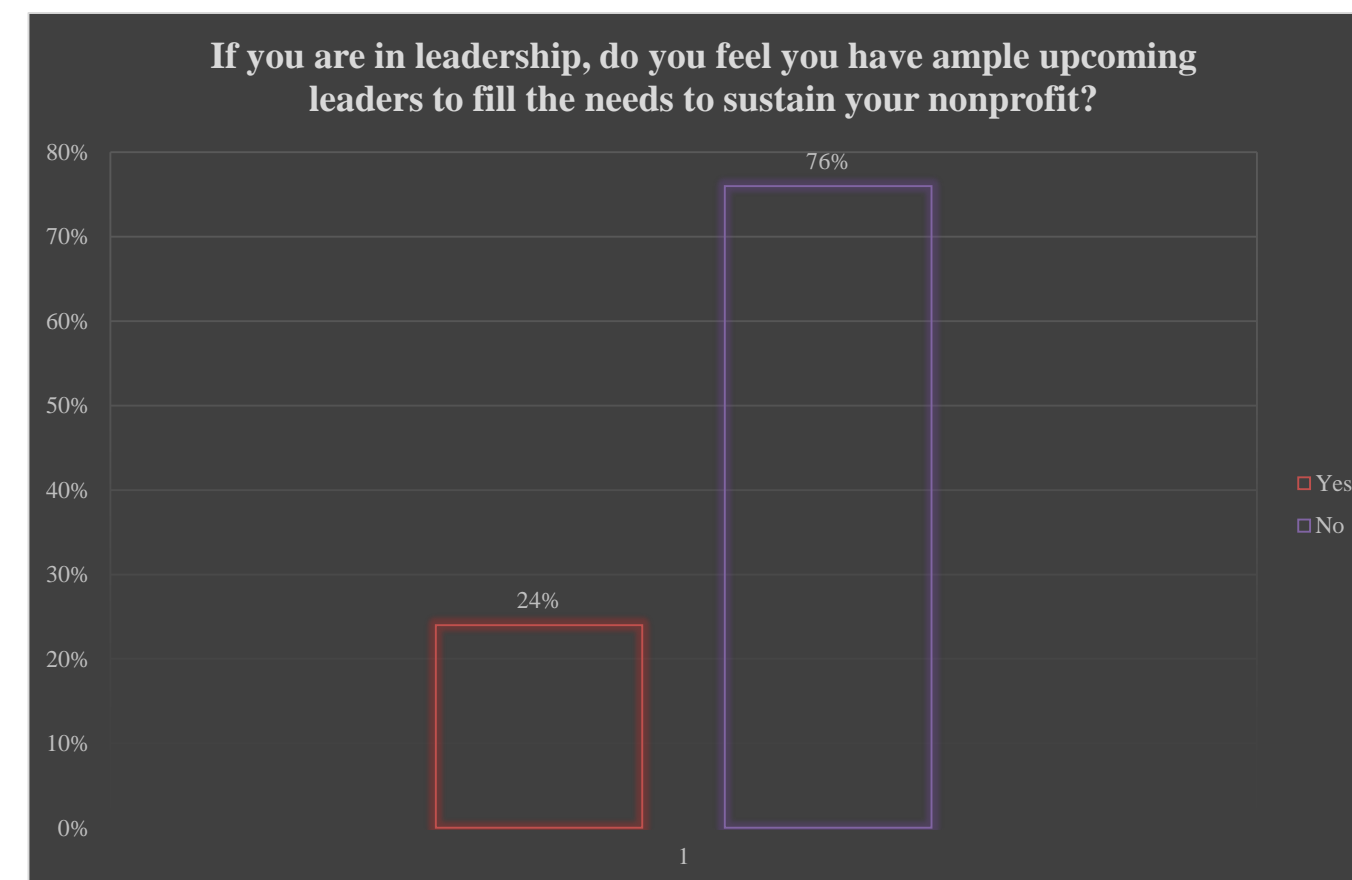
3. Archival Data (CNL membership data)

Agency member surveys on competency needs

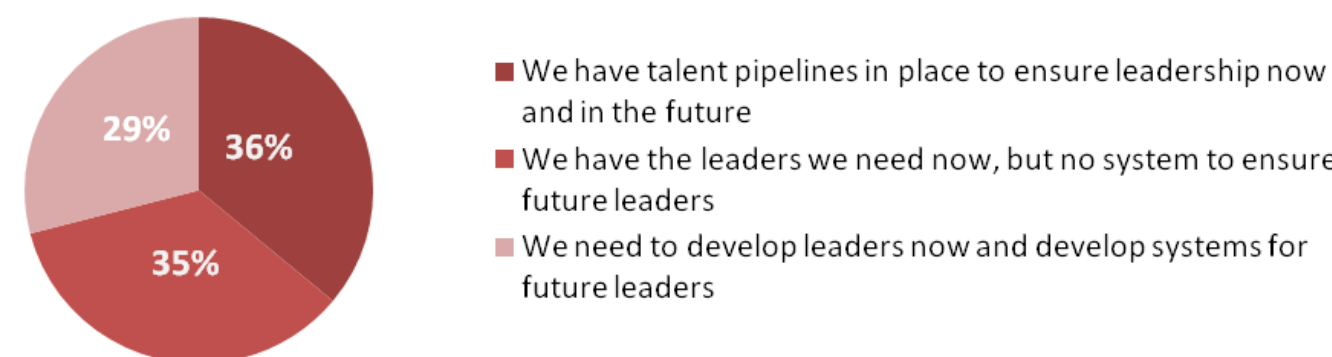**4. Secondary data** (please see references)

Data

In local surveys…

- 72% of local leaders do not feel they have ample upcoming leadership to sustain their nonprofit.
- Nearly half (42%) of respondents were not specifically seeking work in the nonprofit sector.
- Only 36% responded yes that they plan to seek their next job in the nonprofit sector.
- 85% of organizations did not offer regular ethics training, although 62% offered some sort of leadership training.
- 62% wished for greater preparation
- 100% felt their job reflects their values
- Archival Data shows top 3 needs: Strategic planning; board development; staff development

If you are in leadership, do you feel you have ample upcoming leaders to fill the needs to sustain your nonprofit?
- Yes 24%
- No 76%

Research findings underscore the need to dedicate attention and resources to preparing nonprofit managers and leaders. The potential that today's nonprofit leaders will leave the sector without the confidence that a well-prepared generation of managers and leaders will follow should cause great concern…(NLA, 2011)

- 36% We have talent pipelines in place to ensure leadership now and in the future
- 35% We have the leaders we need now, but no system to ensure future leaders
- 29% We need to develop leaders now and develop systems for future leaders

Nonprofits need leaders at all levels who are grounded in the an understanding of what the nonprofit sector is and dedicated to the sector; and are capable of leading ethically, inspiring others, and advocating for change to create impact.

Building Accessible Tools- Module Outlines

Module 1: Nonprofit Unicorns: Understanding the Unique Sector
- *Goal: Ground staff and people new to nonprofit in the unique aspects of the sector.*
   - **Academic:** State of the Nonprofit Sector – Lester Salamon
   - **Activity/Article:** Good to Great (Collins)
   - **Inspiration:** I Will Not Die an Unlived Life (Markova)
      - TedTalk: How to Start a Movement (Sivers)
   - **Want more**: Ted Talk: How Great Leaders Inspire Action (Sinek)
      - The Nature of the Nonprofit Sector (Ott, Dicke)

Module 2: Values in Nonprofit: Trust is the backbone of the sector
- *Goal: Educate on why values are central to nonprofit; explore and define personal and organizational values. It is not enough to have values, they must be defined and infuse everything you do. If your organization is struggling or simply ready to move to the next level, then consider what a values-based culture can do: attract and keep talented personnel; align efforts based on values; and exceed expectations of employees and public.*
   - **Academic**: Leveraging Values to Strengthen Your Organization (Lambert)
   - **Activity/Article**: Values Exercise; Values in Action game
   - **Inspiration**: TED: The Happy Secret to Better Work (Achor)

Modulen 3 : Public and social accountability, ethical decision-making
- *Goal: Convey importance of accountability in nonprofits as more critical than ever; as nonprofit become increasingly more complex, criticality of ethical decision making and transparency.*
   - **Academic**: The Emerging Capital for Nonprofits, Harvard
   - **Activity/Article**: Does your nonprofit need a code of ethics? (National Council of Nonprofit), Create code of ethics
   - **Inspiration**: Ted Talk Uncharitable (Pallotta)

   Other modules include:
   Leadership Integrity for the Common Good
   Collaboration and Teamwork
   Leading Through Change

Key References

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