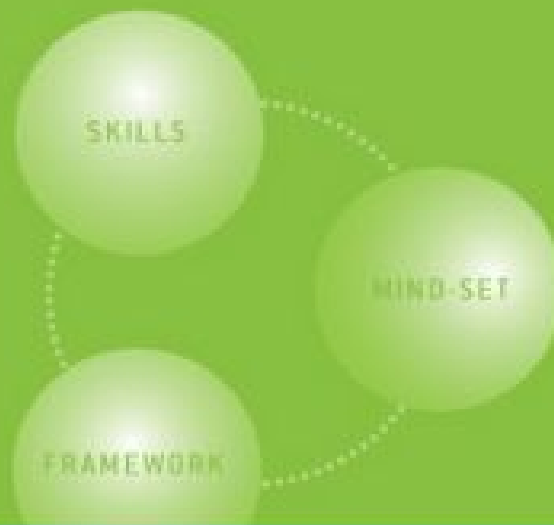


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CompassPoint Nonprofit Services



COACHING SKILLS

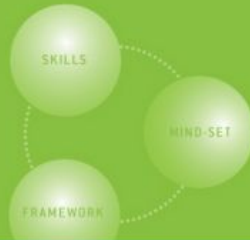
FOR Nonprofit Managers and Leaders

Developing People to Achieve Your Mission

"In today's tough times, nothing is more important than the work of nonprofit leaders.
This book provides a great guide to increase their effectiveness."

— MARSHALL GOLDSMITH, author of *Succession: Are You Ready?* and *What Got You Here Won't Get You There*

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“As Wilson and Gislason write, our sector is facing a crisis in leadership—many nonprofits need to learn how to invest in their top talent, cultivate next-generation leaders, and share leadership more broadly. Coaching is one very important way they can do this. This book gives nonprofit managers and leaders a new skill-set to move beyond the outdated ‘heroic leader’ model. The authors have done a real service to the field.”

—**Heather McLeod Grant**, *coauthor, Forces for Good,
and consultant, Monitor Institute*

“This book presents a compelling case for why coaching is an effective leadership development strategy. Based on real-life management lessons, this book provides practical answers to the dilemma faced by the nonprofit sector—how to attract, retain, and motivate talented people.”

—**Cristina M. Regalado**, *vice president of programs,
The California Wellness Foundation*

“If you believe in collaborative leadership, then coaching is the perfect approach to developing and supporting it. This book is the total guide to supporting people to make the highest possible contribution to the mission of their organization. Brava to Judith and Michelle for sharing such a wealth of practical and specific skills to get us all there.”

—**Catherine A. Merschel**, *executive director, Build It
Green*

“The tools and ideas Michelle and Judith present in this book are the real deal. I know. They have helped strengthen my leadership and my organization in more ways than I could have imagined.”

—**Aspen Baker**, *executive director, Exhale*

“Gislason and Wilson combine coaching expertise and practical nonprofit examples that can be used in real-life situations. Essential reading for anyone interested in developing the next generation of leaders right inside their own organizations.”

—**Linda Wood**, *Evelyn and Walter Haas, Jr. Fund*

“This will surely be a seminal book about how to use coaching for leadership development, problem solving, and staying sane in one of the most challenging jobs in the world—nonprofit leader.”

—**Carter McNamara**, *Authenticity Consulting, LLC*

“This book provides valuable tools both for becoming a more effective leader and for encouraging others to develop their own leadership skills. It provides practical and commonsense guidance and also provides ‘aha’ moments of insight. I know what a gift coaching is. I know I have become a better leader as a result.”

—**Ellen Dumesnil**, *division director, Catholic Charities of Santa Clara County Economic Development Services*

“*Coaching Skills for Nonprofit Managers and Leaders* not only offers a clear frame and a step-by-step guide to coaching but also shows how organizations can shift their leadership culture and build a dynamic multigenerational leadership.”

—**Helen Kim**, *Coauthor of Working Across Generations: Defining the Future of Nonprofit Leadership*

“Retention is a huge issue facing the nonprofit sector. Most people leave their jobs because of bad managers. This book is a major remedy for this problem.”

—**Stephen Bauer**, *executive director, Nonprofit Workforce Coalition*

“Wilson and Gislason are experts in the field and provide a contribution that has been sorely lacking for nonprofit leaders seeking to develop their staff. Practical, concise, and full of clear examples of how to coach for greater effectiveness. Well worth the time investment!”

—**Ann V. Deaton**, *leadership coach, DaVinci Resources*

“Wilson and Gislason remind us that we all can benefit from coaching and give us a model that is clear, interesting, and—most important—

immediately useful.”

—Paul Groesbeck, executive director, Life Foundation,
Honolulu

“As an executive director of a small and very diverse staff, I find that this book provides me with practical tips and helpful tools on how to work with staff to build on their strengths—creating a stronger team, increasing organizational capacity, and developing future nonprofit leaders.”

—Ellen Wu, executive director, California Pan-Ethnic
Health Network (CPEHN)

“I enthusiastically recommend the principles and contemporary coaching approaches outlined in this fresh perspective on the time-worn dilemma: how to do more with less, while growing nonprofit professionals who truly lead and innovate.”

—Kathy Riggins, president and CEO, YMCA of Silicon
Valley

“Anyone seeking the ‘X Factor’ missing from their own management and leadership skill toolkit ought to read this book. Wilson and Gislason provide useful coaching dialogues that confront the realities of managing, developing, and retaining talented staff at all levels of an organization.”


—Michael L. Edell, senior vice president, Netzel
Grigsby Associates, Inc. (former vice president of
research for the American Heart Association)

“This book speaks to overcoming the scarcity mentality of nonprofits when solving gaps in talent, training, and resources.”

—Peter S. Crosby, founding partner, AllTogetherNow
Advisors

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Coaching Skills
for Nonprofit Managers
and Leaders

**DEVELOPING PEOPLE
TO ACHIEVE YOUR MISSION**

Judith Wilson
Michelle Gislason

CompassPoint Nonprofit Services

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Published by Jossey-Bass
A Wiley Imprint
989 Market Street, San Francisco, CA 94103-1741—www.josseybass.com

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Library of Congress Cataloging-in-Publication Data

Wilson, Judith, date.

Coaching skills for nonprofit managers and leaders: developing people to
achieve your mission/ Judith Wilson, Michelle Gislason.

p. cm.

Includes bibliographical references and index.

eISBN : 978-0-470-53079-5

1. Nonprofit organizations—Management. 2. Executive coaching. 3. Employees—
Coaching of. I. Gislason, Michelle, date. II. Title.

HD62.6.W563 2009

658.3'124—dc22

2009026289

PB Printing

ACKNOWLEDGMENTS

The origins of this book lie in the coaching manual that was created by Judith Wilson eight years ago for a CompassPoint training. Although the ideas and presentation of this material have been put to paper by the two of us, we gratefully acknowledge our debt to the many other coaches, trainers, and friends who have contributed to our learning.

First, we gratefully acknowledge the contributions of our colleague Rich Snowdon, who served as an invaluable adviser as the concept for this book was taking shape.

We also thank CompassPoint's leadership—CEO Jeanne Bell and senior project directors Steve Lew and Tim Wolfred—for their guidance and support for this book, and we offer special thanks to grants and publications director, Cristina Chan, for calmly guiding this book through the writing and submission process.

The official readers of our draft manuscript provided us with extremely important feedback. We thank the following for volunteering their time and insight: Julie Alef, Deborah L. Coleman, Ann V. Deaton, Janet L. Flint, Donald J. Gerard, Susan B. Wilkes, and Julia R. Wilson.

We also thank Prism Coaching for contributing to our thinking on culture, specifically Donald Gerard and Wendy Chiyo Horikoshi, and we thank Melissa Mahoney for the

beautiful graphics of the coaching model she created for the book. We have benefited greatly from all the authors whose work we reference.

Finally, we owe a great deal of gratitude to all our clients and workshop participants who have contributed their insight on this topic and who inspire us every day with their commitment and leadership. These contributors include the following:

Angel Barrios, Institute for Human and Social Development

Casey Ryan Budesilich, Breakthrough Collaborative

Percy Campbell, Youth Uprising

Cathy Craig, Bay Area Local Initiatives Support Corporation

Mary Donnelly-Crocker, Young & Healthy

Kristen Dambrowski, Presidio Community YMCA

Michael Dismuke, Eden Housing Management, Inc.

Andrea M. Finley, Child Care Links

Shannon Griffin, 4 C's of Alameda County

Caroline Griswold, National Writing Project

Amanda Kobler, Kobler Development Consulting

Patricia Osage, Satellite Housing

Josephine Pritchard, Coastside Children's Programs

Sara Razavi, Honoring Emancipated Youth (HEY)

Carol Richards, Neighborhood Infant Toddler Center

Susie M. Rivera, Fresh Lifelines for Youth (FLY) Program

Pat Swartz, Girls Incorporated of Alameda County

Meredith Thomas, Neighborhood Parks Council

Julia Wilson, Public Interest Clearinghouse and the
Legal Aid Association of California

Luke Woodward, Asian & Pacific Islander Wellness
Center

Judith would like to also acknowledge Eiji Hirai, her husband, greatest ally, and dearest friend: Thank you for believing in me as an author and the daily love and support you provided that cheered me on. Thanks for all the weekends we gave up while I made progress. And a special thanks to my friends who offered their help and wisdom along the way and who let me disappear for a period of time to get the writing done.

This book was made possible by the generous funding of the W. K. Kellogg Foundation and The Harnisch Family Foundation.

PREFACE: A NOTE FROM THE AUTHORS

A surprising number of people have asked us why we wrote this book. We've simply told them, "Because we love nonprofits and want to see them thrive." But then they'd ask for more, so here's the why behind the book.

*Judith:*In 2000, I was sitting in Toronto in the middle of the first organizational coaching conference. I looked around and saw it was all businesspeople, and I asked myself, "Where are the nonprofits? Why don't they get to have this too?" I thought nonprofit leaders could thrive even more if they had access to a coach, and they would benefit greatly from knowing how to coach those who worked with them.

*Michelle:*At CompassPoint during the late 1990s, we were distressed by what we were hearing anecdotally from nonprofit leaders about their tenure, and we started putting significant new resources into finding ways to provide support for them.

In 1999, we conducted a research study we called "Leadership Lost," and then we did a follow-up in 2001 titled "Daring to Lead." Although the results of those studies weren't completely surprising, they were still shocking. So many leaders told us they were burning out. So many told us they were planning to leave leadership positions sooner

rather than later. And given that, how could our sector possibly sustain itself? In 2000, we started working with Rich Snowdon to check out coaching in small ways with small projects. We got interested enough that we decided to test it seriously. We wanted to find out whether coaching could really make a difference for our nonprofit leaders or whether this was just another passing fad.

So we launched the Executive Coaching Project, a yearlong demonstration project in which we provided forty hours of coaching to twenty-four executive directors (EDs). Judith was one of the coaches on that project, and that's how we first met.

We integrated assessment into the project at many points and had it measured and studied by an independent evaluation firm. The results were well beyond what we expected. The overall satisfaction rate was 4.5 out of 5 for the EDs, so that was quite a vote of confidence. But there were many other things we saw that were confirming: increased effectiveness with fundraising, strategic thinking, program design, and sustainability, both personally and professionally.

Also—and especially interesting to me—we saw increased effectiveness in supervising and working with staff. Many of the EDs had started doing with their staff what their coaches were doing with them. And they were getting results that made both them and their staffs much happier and more effective.

In 2003, after the results were published, Jossey-Bass called and asked if CompassPoint wanted to do a book on coaching. We told them we'd love to, but we weren't yet ready. We had more work to do. If we were going to do a book, we'd need to have enough depth with coaching so we could really do it right.

In 2004, Rich and I launched a series called Thriving for Executive Directors, in which we did coaching-style workshops with a group of twelve EDs; we gave them individual coaching sessions as well. Over and over we saw discouraged EDs come back to life. We saw them claim their talents and strengths and remember who they were as leaders. And having gotten a renewed sense of themselves, they were surprised to see how much more easily they were able to clear away problems that had previously been blocking them.

At about the same time, I set up a coaching referral service at CompassPoint. I kept seeing the difference between the moments when someone first called to get a coach and later after several months of coaching. People were doing so much better because of the coaching. They were finding much more satisfaction in their work. And they weren't talking about quitting leadership.

*Judith:*In my coaching practice, I had started working with leaders and managers in all sectors, but I kept finding myself called to nonprofit work, and nonprofits kept calling me. So, remembering Toronto, I created the class called Coaching Skills for Managers. I offered it to CompassPoint, and they jumped at it.

*Michelle:*This workshop has been one of our most successful ever and is even more popular today than when it started. To date, through Judith's workshops and the other coaching programs CompassPoint has run, we've trained more than 2,500 managers, leaders, supervisors, board members, volunteers, and foundation staff in using the coaching approach.

One thing people have said to us again and again is, "Instead of just coaching us, you're teaching us how to use coaching effectively with our staff and everyone we come in contact with. And that has made such a difference."

Then in 2006, we got the most amazing call from the W. K. Kellogg Foundation, and we stepped in to manage a national project for them—Coaching and Philanthropy—to test out coaching in even greater depth and to see how it might integrate more deeply into the life of nonprofit organizations. The project has continued to increase our awareness and knowledge of how coaching can have an impact on nonprofit leadership development and organizational effectiveness.

Judith: While this swirl of coaching activity was going on at CompassPoint, people started asking me for a book. They loved the workshop, but they wanted something to take them to greater depth and something they could refer back to when they were trying to figure out a particularly tough situation. I know how repeated review can help lock in new skills and make them second nature, so I wanted there to be a book, too. Then in 2007, I led a session on coaching at CompassPoint's Nonprofit Day Conference.

Michelle: The session sold out fast and was high energy. There was a lot of enthusiasm in the room. Unbeknownst to us, Allison Brunner from Jossey-Bass was there, and she said again, "This should be a book." This time we were ready to go. Of course, there were lots of coaching books already on the market. But we wanted something just for us and our community.

Judith: People ask me what I do all day. Half the time I coach individuals at all levels, in all fields, in many countries. The other half of my time is spent training managers to learn how to coach too. I coach not only because it is my calling to help people be their best; I do it because coaching is the backbone of learning. Coaching helps a person translate thought into action. Coaching is my passion. It's just plain fun pulling out the brilliance in people that has yet to fully surface.

Everyone deserves easy access to the gifts coaching has to offer. No one should have to wait for a special time to learn and grow. I'm personally on a mission to place coaching skills into the hands of everyone who wants them. I imagine a world where everyone will use the coaching approach. Up and down. Peer to peer. All around us.

Michelle: I have a passion for working with leaders of social change. There is nothing I love more than seeing these passionate and gutsy individuals claim their personal leadership style and ask for what they need so they can sustain themselves as leaders. And I love seeing how they first take coaching for themselves and then pass it on to their own staff with a sense of sharing something that really matters.

Margaret Wheatley, in her book *Leadership and the New Science*, talks about “living into” different behaviors, even when—especially when—tested by events and crises. She says, “We slowly become who we said we wanted to be.” To me, this is coaching. And this is what managers can support others to do—help them become who they say they want to be. Coaching doesn't need to be a costly resource only a few people in an organization get to have. It's a skill that can live everywhere in the organization. Nonprofits are champions of equity and access. And that's what this book is about too. I'm with Judith—let's get coaching into the hands of anyone who wants it.

Judith and Michelle: Together, we've written this book for you, the nonprofit manager. In the years of doing our work to support the remarkable people who are dedicated to social change, we have yet to find a more useful competency than that of coaching. We believe coaching provides the foundation and platform for enduring change. We believe coaching will help you be of great service to all those around you. Take a moment—and sometimes it just

takes a moment—to be someone's thought partner, and together you'll do what you couldn't do alone.

August 2009

Judith Wilson
San Mateo, California

Michelle Gislason
San Francisco, California

*The sweetest and simplest thing
that happens to me each and every day
is the man I come home to.
Eiji Hirai, thanks for being
my best friend and forever husband.*

—Judith Wilson

*For my parents, Sandy and John,
who taught me to love words,
to embrace my curiosity,
and to adapt to just about anything.
For Hal, whom I miss.
And for Keenan, who makes me smile every single day.*

—Michelle Gislason

INTRODUCTION: WHY COACHING NOW?

Imagine you supervise a development director. Let's call him Michael. Michael has just met with a funder on his own. He thinks his performance could have been better and is frustrated because he didn't get the response he was looking for. He comes to you for guidance. Even though he's not new to development, it is tempting to tell him what to do. You are in a hurry. To you it seems very clear. And it is human nature to jump to the seemingly most efficient approach, which is giving advice. This is an option. You could give him advice and send him on his way, confident that he got the benefit of your years of experience. Or you could do something different.

Instead of telling him what to do, you take a couple of minutes to ask some questions. You ask things like, "What went well in the meeting?" "How could things have gone better?" "What outcome were you seeking?" You give him time to think about this. He begins to offer things like, "I didn't really take time to get to know the funder or her interest in the program before I launched into my proposal," or, "Now I realize I needed to spend time practicing beforehand. I was kind of nervous." You ask what else he could have done. He thinks some more, then says, "You know, I should have created a handout to share so things

were clearer as I presented our ideas.” You ask Michael how he plans to do things differently next time. He says, “ I ’m going to prepare something in writing, and I ’ m going to practice my presentation with a colleague before I go to the meeting. I ’ m also going to take some time to ask the funder what about this program interests her and what she’s hoping to accomplish by working with us.” You support his decisions and perhaps add a small suggestion for him to consider. You ask what you can do to support him, and he shares that he’d love someone to give him feedback on his next presentation beforehand. You agree and make plans for next time.

This took perhaps five to ten minutes; it didn’t require you to have all the answers, and yet it provided an opportunity for Michael to reflect, learn, and make some conscious decisions about what to do next time. This is a coaching approach.

WHY BOTHER WITH COACHING?

As coaches and trainers to nonprofit organizations, we have seen firsthand the many challenges nonprofit managers face. Nonprofits, and those of us who work in them, are under pressure. Resources are stretched thin. We are trying to do more with less. This scarcity of resources is inherent in many nonprofits, if not the majority of small to mid-sized organizations. And at the time of this writing, an economic recession unlike any we have seen in years is exacerbating this problem. Yet a number of specific trends are occurring in the sector that make it important for nonprofit organizations to consider strategies like coaching to develop and support staff. On a macro-scale, the nonprofit sector is grappling with a leadership crisis. Many of the baby-boom generation are retiring. Talent is leaving. On a micro-scale,

we've found that people working and volunteering in the sector struggle with managing, developing, and retaining talented staff.

There are countless articles and studies on nonprofit leadership in the nonprofit sector, and even more in the world at large. Grantmakers for Effective Organizations (GEO) provides a fairly comprehensive literature review on leadership development. We won't overwhelm you with all the research by taking a deep dive into this. However, we do want you to consider some of the typical leadership and management issues the sector is currently grappling with and how coaching may be one way to respond. Specifically, we address the nonprofit leadership deficit and the desire for a new playing field.

THE NONPROFIT LEADERSHIP DEFICIT

The Shrinking Talent Pool

Workforce challenges in the sector have been well documented. CompassPoint's "Daring to Lead" study reports that 75 percent of executives polled plan to leave the sector within five years (Bell, Moyers, and Wolfred, 2006, p. 3). Many of these executives are founding executive directors (EDs) who are of the post- World War II baby-boom generation and who have plans to retire. The baby-boom generation is 76 million people—significantly larger than the succeeding Generation X cohort of only 58 million. "The Leadership Deficit," a report by the nonprofit consulting group Bridgespan, predicts that there will be 640,000 vacant senior management positions in the next decade (Tierney, 2006, p. 26). This poses a mathematical dilemma

that has many people concerned that there will not be enough people to fill those positions.

“The Leadership Deficit,” a report by the nonprofit consulting group Bridgespan, predicts that there will be 640,000 vacant senior management positions in the next decade.

—Thomas J. Tierney, 2006, p. 26

Moreover, it's not just executives that nonprofits are losing. As researcher Paul Light asserts, one of the nonprofit sector's most valuable resources is its workforce. Light found nonprofit employees to be highly motivated, hard-working, and deeply committed. But he also discovered that “nonprofit employees experience high levels of stress and burnout, and report that their organizations do not provide enough training and staff to succeed” (Light, 2002, p. 1).

Despite the economic uncertainty we all are facing, we cannot ignore the fact that there is a leadership and workforce deficit that will have drastic and long-lasting impact in the sector. This requires us to look at ways to build leadership and management capacity in organizations.

The Need for Internal Succession Planning

Leadership succession is a hot topic. Bridgespan's leadership program, Bridgestar, is focusing on how to move management team members into executive director positions. Public Allies, a leadership organization, is making significant efforts to train next-generation leaders. Nonprofit Management and Leadership Certification Program,

American Humanics is working with colleges and universities to steer graduates into the nonprofit sector and organizations that need to increase their leadership “bench strength.” All of these activities indicate the need for organizations to expand their internal leadership development programs now.

In his book *Built to Last*, Jim Collins notes that the most successful organizations fill their top spots from within (Collins and Porras, 1994). We believe he’s right. Never before has there been such urgency to develop new leaders from within organizations at every level. The good news is that there is evidence of a new cohort of leaders. “Ready to Lead,” the CompassPoint research study mentioned earlier, discovered that one in three respondents indicated an aspiration to be an executive director someday. When asked what they needed to prepare for the position, they named such readiness factors as developing external networks, management skills, and an ability to lead, supervise, and manage staff. Surprisingly, 55 percent of all survey respondents believed that they needed to leave their organizations in order to advance their careers (Cornelius, Corvington, and Ruesga, 2008, pp. 20-22). This data point is reinforced by research from Bridgespan, which states that two-thirds of the time, a nonprofit board fills a leadership position from the outside because “there just isn’t the strength on the inside” (Duxbury, 2008). We are seeing how coaching helps to strengthen internal leaders and support career expansion.

One of the reasons I left [my last position] is that there was a real unwillingness to share knowledge with me. I felt that I wasn’t working to my potential. They weren’t allowing me to do the job that I thought I was hired for.

—*Unnamed executive director, quoted in Cornelius, Corvington, and Ruesga, 2008, p. 22*

The Challenge to Attract and Retain Talent

As nonprofit leaders retire or leave because of burnout, nonprofits will be challenged to find and retain talent. According to American Humanics, the sector has long-standing recruitment and retention problems that are exacerbated by competition with the public and private sectors (Halpern, 2006). As social entrepreneurship and corporate social responsibility continue to gain traction, nonprofit workers may become more and more “sector agnostic” as they seek careers that are meaningful to them. In fact, a survey by the Young Nonprofit Professionals Network indicates that 45 percent of its members intend to pursue for-profit jobs. As Commongood Careers (2008) states, “In the war for talent, nonprofits are poorly matched in terms of financial resources and recruiting expertise” (p. 3).

As nonprofit trainers and coaches, we have come to witness something commonly referred to as a *culture of scarcity* in the nonprofit sector. In *Financial Leadership*, the authors hypothesize:

When mission perpetually (and heavily) outweighs money, it may be that key people inside the organization are stuck in the ‘nonprofits can’t make money’ mind-set. . . . Symptoms of the culture of scarcity include underpaying key staff. . . . Another characteristic of nonprofits that lean too heavily

toward mission is underinvestment in infrastructure [Bell and Schaffer, 2006, p. 8].

It's not news that nonprofits are challenged to operate on extremely tight budgets. However, these budget challenges can affect the ability to invest in, for example, training and staff development. In his article "The Leadership Deficit," Tom Tierney (2006) references this infrastructure component: "nonprofits can rarely afford to make investments in HR, recruitment and leadership training . . . and tend to view such expenditures as wasteful overhead. . . . There is a view that resources devoted to leadership capacity—recruiting expenses, training costs, salaries and benefits. . . . should all be kept to a bare minimum" (pp. 13-16).

Often in the nonprofit sector, because of the scarcity of resources, issues like training, professional development, leadership development are viewed as the most discretionary items and are the first to go in difficult economic times. . . . This is really important to the long-term health of an organization and of the sector.

—Jim Canales, president and CEO, James Irvine Foundation, quoted in Duxbury, 2008

The culture of scarcity is exacerbated by the reality that many organizations are struggling to stay afloat financially, and this can result in nonprofits failing to invest in needed training and professional development of staff, which can then result in staff retention issues. We all might do well to strategize further about how to maximize the resources we do have, including our human resources. Not only is this smart planning, it will also help us embrace the new