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Social Responsibility Through Coaching

How coaching is
transforming the lives
of the vulnerable

Coaching Leaders
in Nonprofits

Social Entrepreneurs &
Leadership Coaching

Helping the Helpers

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The value of not-for-profit coaching

Where is coaching provided to the not-for-profit sector and what is the impact? What are the differences in engagement with not-for-profits vs. for-profits? How does coaching inform and challenge the vision of the social profit sector? Does it help the sector in advancing a strengths-based approach to clients, recognizing their clients as the experts in their own lives? This issue explores how coaching in the not-for-profit sector is transforming the lives of the vulnerable.



Coaching Leaders in Nonprofits

Understanding their unique context

By Terry H. Hildebrandt, PhD, PCC

Coaching leaders and executives in nonprofits differs in significant ways from coaching for-profit leaders, and professional coaches need to consider these differences before engaging with the nonprofit sector. Understanding the organizational context of nonprofit leaders is critical for executive coaches to understand.

In this article, I will explore five core areas including mission, fundraising, staff management, stakeholder management, and budget concerns.

1. Managing Purpose, Vision & Mission

While managing purpose and vision is important for all executives, this skill is critical for leaders of nonprofits. While for-profit organizations always have as one of their goals to make money, nonprofits exclusively exist to serve the needs of their key stakeholders.

Having a clear purpose, mission and vision enable the leaders to rally support, fundraise, and energize employees and volunteers. A strong purpose statement describes why the organization exists and typically defines its customers,

products and services, and the value it provides. A strong vision statement provides a vivid image of success. The mission statement distinctly describes how the organization accomplishes its purpose and how it will achieve its vision.

2. Fundraising: Philanthropy & Grants Management

Funding a nonprofit is one of the core responsibilities of the senior leadership team. While some nonprofits certainly charge for their services, many do not and need to find alternative sources of funding which commonly include philanthropy and grants management.

Senior leaders need to spend a significant portion of their time being the “face” of the organization to potential donors and other key stakeholders that also become evangelists for the organization. Hiring professional staff with experience in grant writing is critical if that is to be a significant source of funding.

Maintaining regular communications with donors through recognition and appreciation events enables an ongoing dialogue with key stakeholders. In some cases, major donors may also be part of the board of directors, which enables close ties between leadership and fundraising.

3. Staff Management

Motivating and engaging staff at a nonprofit is also frequently different from for-profit organizations. Many nonprofits depend heavily on volunteers to support their staffing needs. Motivating a volunteer can be the ultimate test of a leader’s ability to engage staff.

Volunteers need to feel connected to the mission of the organization and gain personal satisfaction from their labor of love. Volunteers can be motivated by many different factors, including social connection, giving back to the community, learning and growth, and personal recognition, to name a few.

Spending time with volunteers to truly understand their personal motivations is critical to connecting them with activities and social opportunities that align with their interests.

Paid staff members also frequently have unique needs at a nonprofit. Many are drawn to nonprofits for the personal satisfaction of contributing to the mission of the organization. The staff may hold nonprofit leaders to a higher standard of ethics and accountability, since they may expect more from nonprofit leaders.

Paid staff also focus more on their own personal engagement since many agree to work at nonprofits with a lower salary than they could get elsewhere. Ensuring nonprofit paid employees are fully engaged should be a major focus of nonprofit leaders.

4. Stakeholder Management & Organizational Savvy

Nonprofit leaders are often faced with more stakeholders that require more organizational and political savvy to manage effectively. Stakeholders frequently include donors, customers, volunteers, paid staff, directors, community leaders, government leaders and suppliers.

Often these stakeholders may have competing demands that require executives to balance the needs of all the key players. The reputation of a nonprofit can make or break its success in fundraising and in attracting customers. Government and community leaders often are key partners and these relationships must be nurtured. Exquisite political savvy is required for nonprofit leaders to effectively build and maintain their allies.

5. Maintaining Budgets

Another common challenge, especially with smaller nonprofits, is maintaining the budget. For professional coaches, I strongly recommend offering a nonprofit rate to reflect the financial realities of nonprofits.

Coaching nonprofit leaders can also be a great way for coaches to give back to the community in the areas of their personal interests. Early on, when I was beginning my journey

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toward ICF certification, I volunteered at nonprofits to log coaching hours as well as support the organizations’ missions.

In addition, volunteering at nonprofits can possibly open doors for later paid work for coaches who wish to engage in the nonprofit world.

In summary, executive and leadership coaches need to gain awareness of the unique context and challenges that most nonprofit leaders face. This is especially important when assessing nonprofit leaders’ effectiveness.

Coaches should include questions addressing the above five core areas in stakeholder interviews, online 360 assessments, and development plans. Having a working knowledge of these five areas can be useful for coaches working in the nonprofit leadership development arena.