

How to Optimize Nonprofit Executive Team Composition

During her career as a leadership consultant, Nicki Roth has seen countless variations on executive teams—both for good and ill. But regardless of organization size and structure, certain questions about group composition keep floating to the surface for the leaders of these teams. As an executive director, how do you ensure you have the right people, in the proper roles, on your team? Roth recently shared some advice with Bridgespan Partner Kirk Kramer.

Kirk Kramer: What are the key hurdles for executive team leaders who are looking to create highly effective teams?

Nicki Roth: Understandably, executive directors and their boards often focus on strategy, funding, growth, and impact. Their primary goals are to get strong players in specific roles with clear functional expertise. Over-focusing on those goals, however, can lead to selecting the wrong people. Beyond functional skills, you need to know if these people have management experience and the ability to develop talent or that they can be trained to do so. Also, can they be team players who think strategically and holistically about the organization and its future? If the answer is “no” to any of these questions, then you may need to rethink some of these folks, regardless of their functional talents.

Kramer: Can you give us an example?

Roth: Sure. One of my clients, Dana [not her real name] had been the executive director of a small early childhood education nonprofit for 12 years. As the organization grew, she created an executive team. After seven years, the team had stabilized around three key people. There was Jeffrey, a veteran nine-year leader hired as one of the first 10 people at the organization. Dana also promoted Tony, previously head of a key service area, after six years with the organization. Tony was the first person Dana assessed for leadership skills as part of the selection process. Nailah was the newest hire and had come



Nicki Roth

onboard after 12 years as a leader at another organization. Dana wanted her to bring in fresh thinking and leadership experience.

Even though Dana kept the group small, she still struggled with the team dynamics. She observed that every time the team was about to break with the status quo, Jeffrey pushed back and derailed the discussion. It was also apparent that Nailah was a more talented leader, and this skill gap contributed to the team not quite coming together.

Kramer: So what did Dana do to address the situation?

Roth: She started by meeting with Jeffrey to develop his leadership skills. When that didn't help, she hired a professional coach to work with him. Neither approach improved the situation. Meanwhile, his attitude created tension with Nailah, who wondered why Dana had not fired him. And Tony felt torn down the middle trying to placate all parties.

The dilemma that Dana faced is typical of what I see with most nonprofit executive teams. Rather than a group of equally skilled leaders pulling in one shared direction, there is a loosely connected group of functional heads. To reverse this trend, executive directors, with support from their boards, must address critical team composition issues.

Kramer: What are some of the critical issues you frequently see?

Roth: Often, there isn't enough forward thinking. Leadership team members are often selected for the present but based on the history of the organization. Just because someone has made valuable contributions doesn't mean they are a leader.

Also, there's comfort in maintaining the status quo. If an organization's strategy hasn't been revisited in more than five years, organizations can find that they keep the current leaders in place without considering whether or not their undertaking the right activities or have the right capabilities to lead the current organization.

Lastly, organizations need to make conscious decisions to ensure diversity on the leadership team. Members ought to mirror the community being served and provide role models for staff. Additionally, the mix of backgrounds, age, gender, and experience creates more robust and stimulating input that aids organizational advancement.

Kramer: What is a good starting point for considering who should be on your executive team?

Roth: Imagining the future and what organizational capabilities need to be developed is a strong starting point for thinking about the executive team composition. Executive directors should identify the leadership skills the organization needs to achieve its strategy. If there is a new strategy, a growth spurt, a significant shift in funding, or simply stagnation, it is vital to step back and assess what competencies and vantage points the leadership team needs in order to meet the challenge.

Doing this doesn't come naturally to most nonprofits, but it's worth the hard work of identifying and learning necessary leadership skills. A comprehensive discussion and inventory of required leadership traits provides two things: focus on what it will take to achieve the goals and a path for leadership and talent development.

Once you've identified the skills the organization needs, you can assess how many and what new leadership roles emerge. Does a new focus on fundraising mean the development director needs to be on the leadership team? Does a slew of new administrative functions mean you need a chief operating officer?

Don't get stuck on who you currently have or budget constraints or legacy roles. Once you know the roles that you need, you can work with your board to sequence these changes over time to be in sync with long-range plans.

Kramer: What if your current team doesn't have the right people with the necessary skills to fulfill those roles?

Roth: Looking at the specific individuals on your team and how they might fit those roles comes last. If you have done your analysis, you will form a new outlook on what you need on your team. The team will undoubtedly need to have members who can think systemically, move beyond functional expertise to manage the whole organization, assume greater authority and accountability, engage in broader and more strategic discussions, collaborate effectively with others, represent the organization to external partners, and share the daily challenges of running the place. This clarity will necessitate some tough decisions. Some current team members may no longer be a good fit while others will need to stretch to develop new competencies. As the executive director, it's your responsibility to meet organizational needs. It may be that you need to take the uncomfortable step of asking someone to leave or create a detailed development plan for someone to build the skills and competencies needed to serve on the executive team.

In the previous example, Dana went through a team composition analysis before she hired Nailah. And when she saw that Jeffrey was remaining an obstacle despite attempts to help him develop necessary skills, Dana had to face the moment she had been avoiding. Jeffrey was not surprised when Dana talked to him about his exit. Even though he was hurt, he said he actually wondered what had taken her so long.

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