

## Section VI: The Path to Stronger Leadership

India's NGO sector is undergoing dynamic growth. A greater number of leaders from diverse backgrounds are joining the sector, bringing with them strong strategic visions—along with a focus on problem-solving, audacious objectives, a thirst for innovation, management rigor, and professionalism.

Equally exciting are evolving funding models, typified by the rise in individual philanthropy and CSR funding. As money flows escalate, so do the expectations of funders. “Doing good” is no longer good enough. These stakeholders, and NGOs themselves, are demanding greater effectiveness and impact.

The big question is, who will drive this? NGOs are only as strong as their cadre of leaders. NGOs and funders across India are increasingly recognizing that leaders, and therefore leadership development, play a crucial role in advancing NGOs' missions. Yet in most organizations, this recognition has not translated into action.

NGOs and funders have not addressed the challenges and constraints of cultivating leaders. The result is too often the same: a single NGO leader or founder takes on most of the decision making, without nurturing a strong second line. That is not a formula for long-term sustainability and success.

Prioritizing and investing in developing leaders requires two things: a shift in mind-set and concerted effort from all sector stakeholders—NGO leaders, funders, and intermediaries.

NGO leaders must look inside their organizations to identify and develop high-potential individuals. Promotion from within eases leadership transitions and minimizes costly (and frequently high-risk) external recruiting. Leaders must act deliberately, based on the organization's future leadership needs. That will take time.

Leaders must also commit to building a culture that integrates leadership development into the organization's routine activities. That means adopting systematized practices—such as leadership needs assessments and individualized development plans—in order to improve the performance of current leaders and those with leadership potential.

Funders, as well, can play a more active role in helping NGOs develop “homegrown” leaders. They can shift their emphasis from a nearly exclusive focus on program outcomes to setting up organizations for long-term success.

Funders also need to pay what it takes to groom the leadership in their grantee organizations, providing expertise as well as grants for building leadership capabilities. This will mitigate the starvation cycle that often plagues NGOs, where they have funds to run programs, but little to shore up their institutions.

Just as important, funders must help build a broad NGO leadership development ecosystem. In partnership with intermediaries, funders can boost investments in

tailored leadership programs and supports for Indian NGOs. Funders can also help change mind-sets. This starts with a compelling message to NGOs and other funders: developing NGO leaders today enables improved outcomes for communities in need over the long term.

NGOs are poised to play a far larger role in narrowing the social development deficit in India. But they require a strong bench of leaders to deliver on that promise.

Now is the time to act.