

## The Challenge of Developing Future Leaders: Survey Results Say...

Nonprofit leaders agree that developing future leaders, whether for future growth or to prepare for key departures, is critical to continuing to fulfill their organizations' missions. Yet when it comes to taking the actions necessary to develop future leaders systematically, and well, many of us admit to falling short.

This conclusion is based on the responses of over 225 nonprofit leaders who have completed Bridgespan's [leadership development diagnostic survey](#). The survey asked nonprofit leaders and senior staff to respond to 31 questions about the extent to which their organizations are proactive, systematic, and comprehensive in addressing leadership development and succession planning needs. These questions align with the key processes of effective leadership development, shown below and described in our November issue of [Leaders Matter](#).



In this article we dive into your survey results sharing the challenges you highlighted and the areas you identified for greatest improvement. Next month, Bridgespan will release a how-to guide describing steps and tools that can help you begin to address these challenges in the course of the vital work your organization is already doing.

### Leaders Engage But Struggle to Act

Senior leadership engagement is a strength. Seventy percent of us agree or strongly agree that CEOs are actively engaged in development; 65 percent agree that senior leaders are actively engaged.<sup>1</sup> And many of us have cultures that support development (69 percent agree). (See Figure 1.)

<sup>1</sup> Respondents were asked to strongly disagree, disagree, agree, or strongly agree with each survey statement. Data shared here reflect respondents who agreed or strongly agreed on each statement, unless otherwise noted.

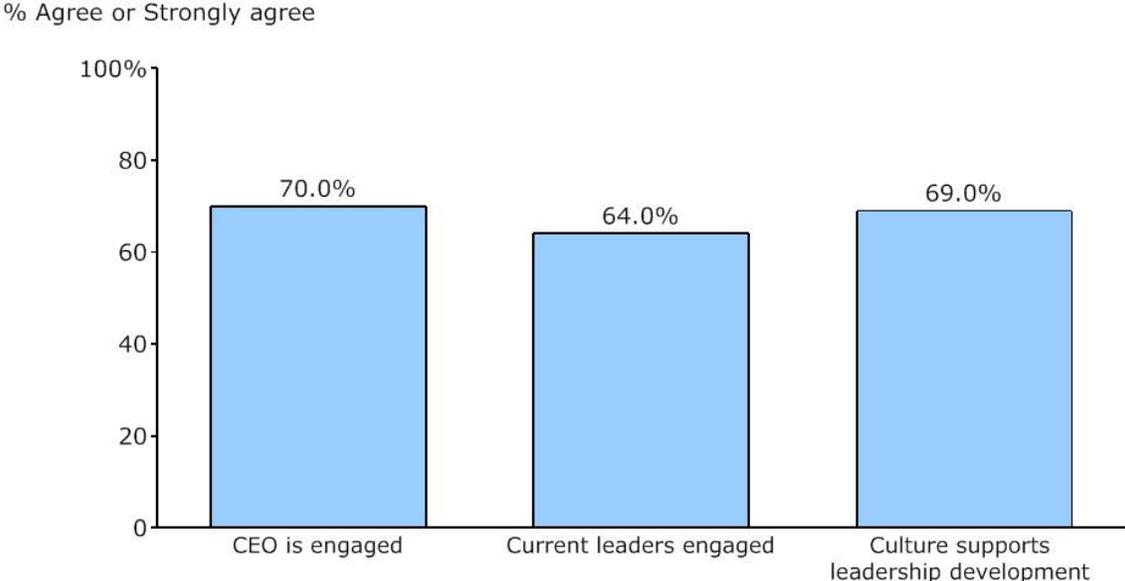
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# Figure 1

## Leaders are engaged...

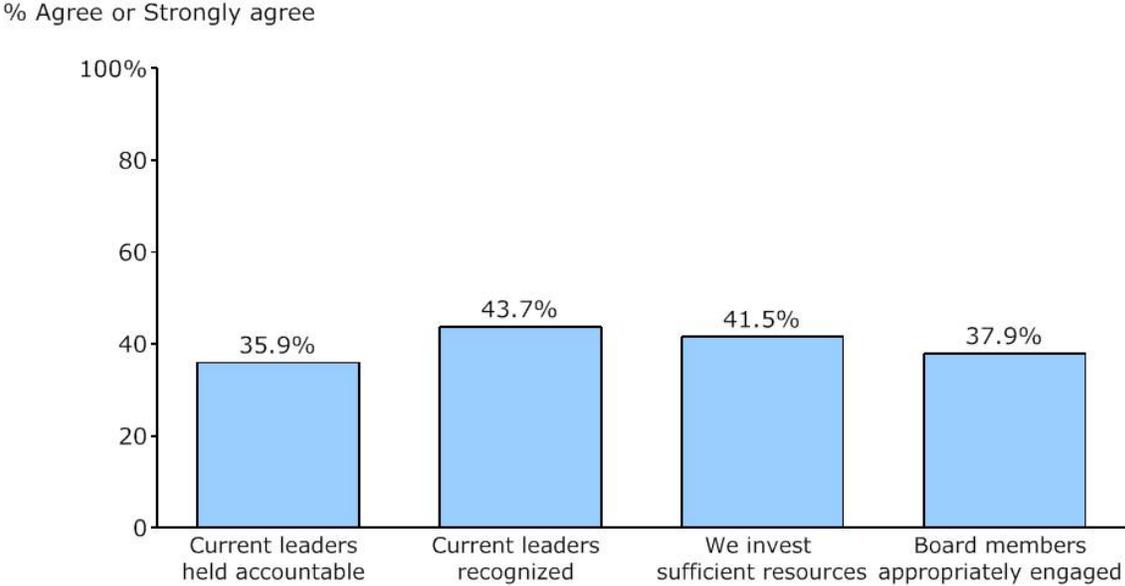


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However, only 36 percent say leaders are held accountable for leadership development; only slightly more (44 percent) agree that leaders are recognized for their development efforts. More troubling is that only 42 percent agree that we invest sufficient resources in leadership development, and even less (38 percent) engage our boards (see Figure 2).

# Figure 2

...but struggle with taking action.



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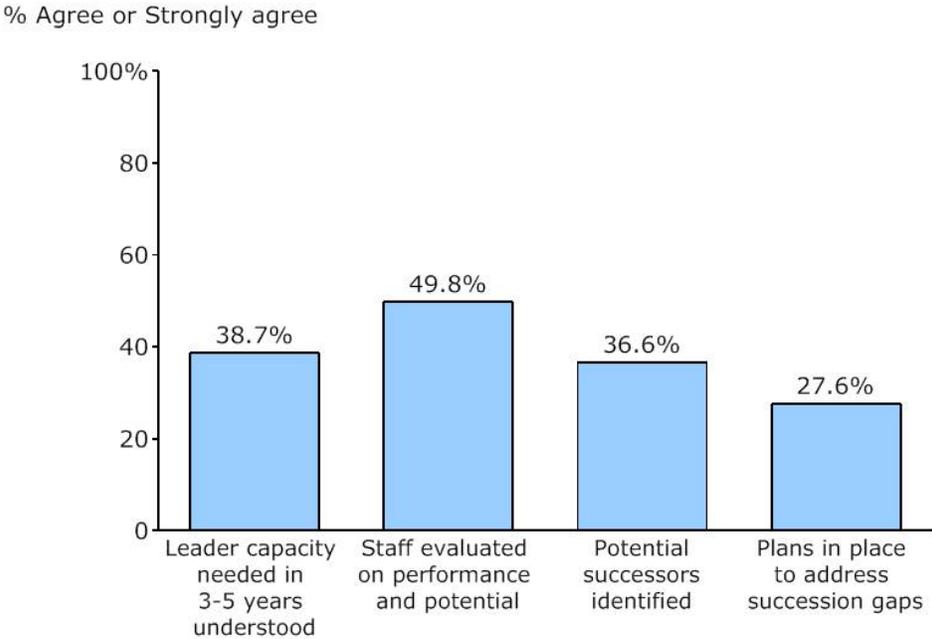
Indeed, stronger engagement of the board in developing organizations’ leadership pipelines, as the data suggest, could be one way to help increase resources and elevate the importance of systematizing leadership development processes.

### We Don’t Understand Our Future Needs

Only 28 percent of us agree that we have plans to address leadership gaps, and only 37 percent have succession plans. As shown in Figure 3, the data suggests two primary root causes of these low percentages. First, we don’t have a clear understanding of our future leadership needs: only 39 percent agree that we do. To this end, it appears we don’t have a multi-year view on the leaders we need for growth or to replace members of our team who are likely to depart. While slightly better, only half of us evaluate the potential of our staff as well as performance. So it is difficult to have a view as to who might be in a position to become our organizations’ leaders a few years down the road.

# Figure 3

## Understanding future needs



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This is our Achilles’ heel. In not understanding what we need in the future in terms of skills and positions, and not having a sense of who might fill these needs, we don’t know where to focus our development efforts. Hence, it seems unlikely that we’re able to determine whether our current development efforts are properly focused, adequate, or effective.

### Our Development of Future Leaders Isn’t Linked to Their Needs

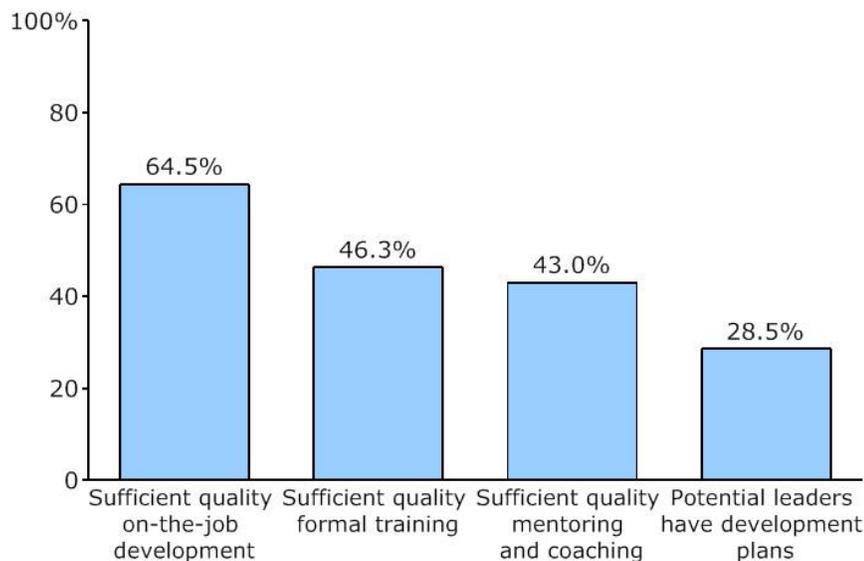
Given our lack of understanding of future needs, it’s not surprising that few of us —less than 29 percent— report that we have development plans for individuals. As shown in Figure 4, the good news is that almost 65 percent of us report that we have ample on-the-job opportunities for development. (Some ideas on development were presented in “[52 On-the-Job Development Opportunities.](#)”) We are less positive about our capabilities to secure access to training, and to coach and mentor future leaders. While we need to strengthen these capabilities, we should start by creating development plans that link

to individual needs to development opportunities. This will allow us to take better advantage of those on-the-job opportunities that already exist and build new, tailored coaching or training supports.

## Figure 4

### Developing future leaders

% Agree or Strongly agree



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### We Are Strong at Hiring Externally

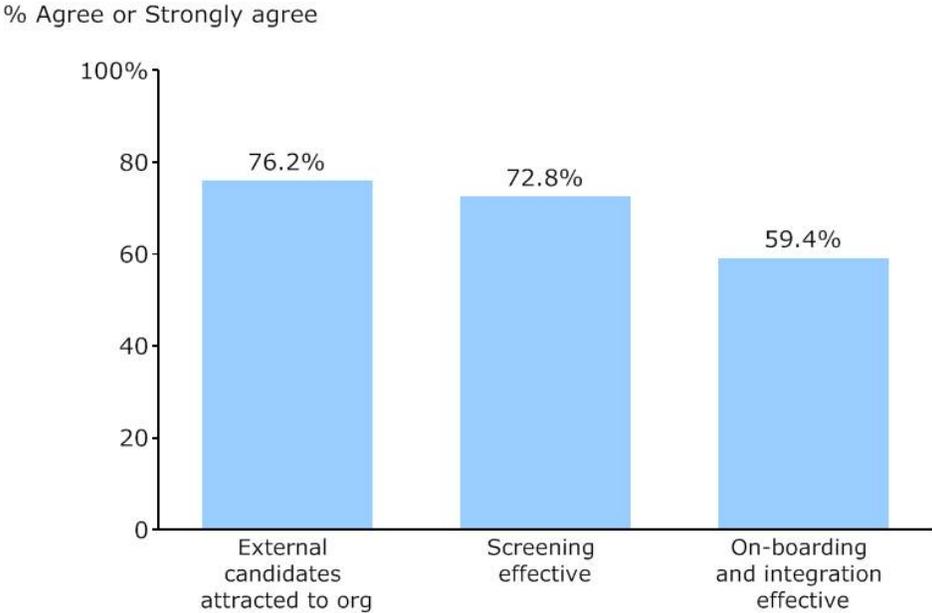
Without the processes in place to prepare future leaders, we often look outside to fill senior leadership vacancies. In fact, a prior Bridgespan survey of over 430 organizations found that when leadership vacancies existed only 25 percent were filled by internal candidates.<sup>2</sup>

Perhaps because of this tendency, hiring externally has become a relative strength. Around 75 percent of us agree that we attract and screen candidates effectively. On-boarding is more challenging, but even here almost 60 percent agree that we do it well (see Figure 5).

<sup>2</sup> David Simms and Carol Trager. "Finding Leaders for America's Nonprofits," The Bridgespan Group, April 2009, p. 4. <http://www.bridgestar.org/Library/FindingLeaders.aspx>

# Figure 5

## Hiring externally



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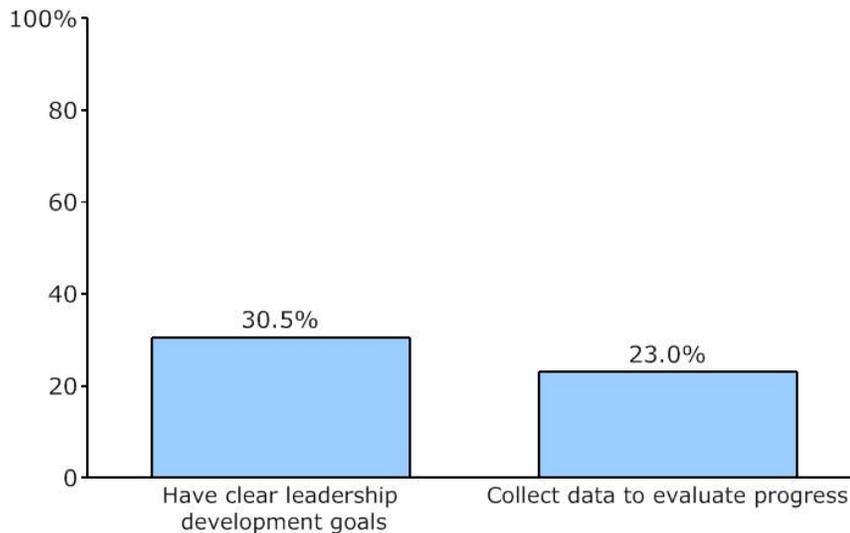
### Few of Us Are Ready for Monitoring and Improving

Finally, as you might expect, our efforts to monitor and improve are relatively weak. Only 30 percent of us have organization-wide goals for our leadership development efforts. And even less—23 percent—are tracking progress. (See Figure 6.) Of course because we aren't tracking what is working and what isn't we don't have the information we need to make systematic improvements in what we are doing.

# Figure 6

## Monitoring and improving

% Agree or Strongly agree



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What steps might we take to improve in this area? As previously noted, understanding future needs is an important first step in developing future leaders. Once we have a clear sense of what our needs are and how to get there, we can set goals and begin to track them so that we can learn what works and what doesn't in our organizations.

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Bridgespan launched this research because our clients consistently report leadership development and succession planning as weaknesses—often the weakest element of their organizational practices. The responses to this diagnostic survey have shed some light on why that's the case. Despite our good intentions, we're not yet taking many of the steps necessary to achieve results. And we certainly aren't doing so in a systematic, on-going basis.

If you haven't already taken the diagnostic survey, we encourage you to do so to help your organization better understand where improvements in your processes could be made. We also invite you to read our abovementioned guide coming out this summer, *Plan A: How Successful Nonprofits Develop Their Future Leaders*. In it we will explore how other nonprofit leaders have addressed these challenges and describe a series of steps your organization can take to integrate leadership development into your everyday operation.