

Leadership in the Third Sector

Research on leadership shows that whilst there is some agreement about the elements of leadership, there is no one agreed definition of what is a leader. In a recent review of the literature around leadership Northouse (2004) identified four common themes that run through much of leadership theory:

- process
- influence
- group context
- goal attainment.

Based on this analysis, leadership in the third sector could simply be defined as,

“a process whereby an individual influences a group or individuals to achieve a common goal”. (Hailey, 2006)

But as Hailey also points out, it is accepted that no one definition can cover all aspects of leadership. Taking a third level perspective leadership also incorporates:

- mobilising of others
- getting things done, willingly, through other people
- empowering others
- articulating vision and embodying values
- creating an environment within which things can be achieved
- shaping and sharing a vision which gives point to the work of others.

Typical of the competencies commonly associated with leadership are the ability of a leader to communicate vision or strategy, inspire teams, motivate individuals, and identify opportunities and initiate transformation. It begs the question: is this any different for the third sector? Recent research for the Association of Chief Executives of Voluntary Organisations (ACEVO)¹ suggests that third sector leaders exhibit an unusually broad range of competencies compared to leaders in the public and private sectors (Bolton & Gosling, 2003).

The research findings state²:

“As workers within the sector tend to be either low paid or voluntary staff, visionary leadership and inspiration are likely to be important aspects of the role regardless of size.”

¹ <http://www.acevo.org.uk>: Last Accessed 12 October 2006

² Passionate Leadership – The characteristics of outstanding leaders in the voluntary sector – What sector leaders think' (ACEVO, 2003)

The report refers to the following behavioural characteristics of third sector leaders:

Emotional attachment

- a strong emotional affinity with the raison d'être of the organisation. A passion for its beliefs. A desire to succeed for the greater good of the organisation. A high degree of personal energy and enthusiasm for the cause.

Personal integrity.

- trustworthiness.

Strategic perspective

- conceptual and analytical thinking. Recognises changes in the broader environment and responds accordingly. Keeps up to date with issues/current thinking. Responds flexibly whilst remaining mindful of the core mission of the organisation.

Visionary and inspirational communicator

- the ability to paint a picture of the future that appeals strongly to others. Shows passion and emotion in visioning and representing the work of the organisation to others. A powerful communicator in all forums from one-to-one to public speaking. Visible and seen to speak out and represent the organisation.

Personal humility

- not in the role for self-aggrandisement. Wants to make a difference through others rather than by themselves.

Motivating a team

- being seen to understand the problems of and support staff and/or volunteers in their work 'on the ground'.

Networking

- a structured yet opportunistic approach to identifying those whose support could be useful to the organisation and seeking effective relationships with them. Maintaining and building those relationships appropriately to increase the effectiveness of their own organisation. Actively engaging in groups/on committees that will usefully further personal network. At the higher levels, building alliances with other organisations to work together to fulfil mutual objectives.

Influencing

- a strong desire and capacity for influencing others to further the mission of the organisation. Includes high level influencing – building coalitions, influencing through 3rd parties, etc. Politically astute: knows where the power lies and how to influence it.

Resilience

- an ability to 'bounce back' quickly after setbacks; dealing with personal and emotive criticism that may be made public.

Self confidence

- confident in highly visible and stressful situations (eg) public forum, debates, media. Person presentation: fulfilling the ambassador role confidently at all levels both internally and externally. Courage to take tough and unpopular decisions, to acknowledge when one has 'got things wrong'.

Customer service orientation

- a genuine empathy with the end-user and a focus on service delivery. An appetite for the detail of providing quality service.

Knowledge of subject matter

- sufficient knowledge to represent the charity credibly and to show empathy with staff, volunteers and beneficiaries.

In large part because of the complexity that leadership demands, Civicus, an international alliance of civil society organisations, has identified the lack of NGO leadership talent and this is of course seen as a matter of particular concern (Civicus, 2002)³.

One of the reason for this is that the sector's leaders need a rare balance of inward-looking (management) and outward-looking (influencing) skills, with exceptional communication and networking skills, as well as resilience and emotional intelligence.

International research into the character and capabilities of third sector leaders in developing countries also supports these conclusions (Hailey & Smiley, 2001; James 2005). What is striking from any review of this research is the variety of different roles that such leaders have to play whatever the culture or context. Their success is partly determined by their ability to play different roles and adapt different leadership styles. They can be characterised as being "value-driven, knowledge-based, and responsive" (Hailey & Smiley, 2001). Just as NICVA has argued in *Leading the Way*, they display an extraordinary range of skills and competencies.

One of the issues for third sector leaders, supported by NGO research, is the way that successful third sector leaders must manage the tensions inherent in being both a strong individual lead while still appearing to be highly participative in the way they manage. It may seem somewhat counter-intuitive that third sector organisations need to be both highly participative and yet accept the presence and role of a strong leader.

At first glance, the concepts of leadership and participation seem incompatible and yet what the research shows is that strong leadership and participatory management can be complementary and compatible. Looking back at the literature review and applying the theoretical models, it is certain that third sector leaders need to be adaptive in style, build strong follower relationships and envision the future as a motivator.

³ Civicus, (Aug 2002) Connecting Civil Society Worldwide, Newsletter No 175, Johannesburg

Collins (2005, p10) in his monograph on the social sector tackled the question of difference between leadership across sectors saying:-

“Social sector leaders are not less decisive than business leaders as a general rule; they only appear that way to those who fail to grasp the complex governance and diffuse power structures common to social sectors.”

There is now a small, but growing body of research into the challenges faced by third sector leaders in the uncertain and volatile political and economic environment of the developing world (Lewis, 2001; Hailey & James, 2004). Drawing on these bodies of work, we are better informed of leadership types and the distinguishing mix of skills and competencies needed by third sector leaders whatever the environment in which they operate.

John Hailey develops the concept of what he calls “catalytic” leaders who typically act strategically and have the ability to promote and implement change. They demonstrate the capacity to take a longer-term strategic view while balancing tough decisions as to strategic priorities with organisational values and identity. Their success as change agents depends on their ability to delegate work to talented colleagues, so freeing time to invest in social capital building networks.

The question of how to assess what leadership type is best suited to the demands facing the third sector in the future maybe partly addressed by the degree to which leaders engage internally or externally, and the effectiveness of their ability to manage performance. Hailey (2004) suggests that third sector leaders:-

“with their ability to both engage with the external world and manage performance are the “type” of leader that future leadership development programmes should be promoting and encouraging”.

In a noteworthy conclusion, Collins (2005) reaffirms his findings that Level 5 leaders differ from Level 4 in that they are ambitious first for the cause, the mission and not for themselves and they have the will to see through a strategy to accomplish the mission. This combination of personal humility and professionalism is a key factor in creating legitimacy and influence.

He goes on to say:

“Level 5 leadership is not about being ‘soft’ or ‘nice’ or purely ‘inclusive’ or ‘consensus-building’. The whole point of Level 5 is to make the right decisions happen – no matter how difficult or painful – for the long term good of the institution and the accomplishment of its mission, independent of consensus or popularity”.