



**COMMUNITY  
FOUNDATION**

---

**of Sarasota County**

**Nonprofit Executive Directors & Leadership**  
Challenges, Opportunities and Successes

# Nonprofit Executive Leadership: The Trends, The Opportunities & The Big Picture

Locally and nationally, evolving societal, economic and political forces are challenging nonprofit executives and their boards to rethink the way they pursue their missions.

Local foundations, professional associations and consultants working in Southwest Florida are regularly approached by nonprofit executive directors and CEOs who share the challenges of their work and seek support to build capacity from within their organizations. Today's nonprofit executive has more pressure than ever before to do more with scarce resources and increased competition, while donors and funders expect innovation and excellence. Our community is observing executive director turnover and transitions occurring in many long-standing institutions, and retirement of other seasoned leaders is imminent.

According to research by the Bridgespan Group, nonprofit leaders called leadership development their most glaring organizational weakness—by a margin of two to one. Further, many nonprofit leaders (including board members) confront the question of leadership development only when the topic is unavoidable—when they have to find a successor to a retiring CEO or when limited leadership capacity is beginning to hamper the organization's ability to grow and thrive.

The Community Foundation of Sarasota County is dedicated to making donor dreams a reality. This is accomplished by partnering with and investing in nonprofit organizations, and effective leadership is critical.

To further understand the needs of local nonprofit executive directors, the challenges they face, and the existing resources they utilize to build their expertise and leadership development, the Community Foundation developed survey questions and distributed them in October 2013 to executive directors of local organizations with profiles in The Giving Partner ([www.thegivingpartner.org](http://www.thegivingpartner.org)). The Giving Partner is a GuideStar ([www.guidestar.org](http://www.guidestar.org)) tool populated with in-depth information about local nonprofits, implemented locally by the Community Foundation of Sarasota County, Gulf Coast Community Foundation, Manatee Community Foundation and The Patterson Foundation to help donors and funders make more informed decisions about philanthropy.

The following pages share what we have learned from the survey findings, in addition to knowledge we have gained through data reported in The Giving Partner.

# Survey Highlights

253 executive directors of nonprofit organizations were emailed a link to the electronic nonprofit leadership survey in October 2013. Participating executive directors represent organizations serving Sarasota, Manatee, Charlotte or DeSoto county with updated profiles in The Giving Partner ([www.thegivingpartner.org](http://www.thegivingpartner.org)). 124 executive directors answered questions in the survey, representing a 49% response rate.

## Organization Size

**Executive director respondents represent organizations with a wide range of operating budgets and staff sizes.**

On the larger end of the budget and staffing spectrum, 34% of executive director respondents represent organizations with more than 20 staff members and 32% have budgets of \$2.5 million or more. On the smaller end, nearly 14% of respondents represent organizations with only one staff member (themselves) and 17% have budgets of \$249,000 or less.

## Chief Executive Experience and Promotion from Within

**Nearly half of executive director respondents have not previously served in the chief executive role.**

Nearly half of executive director respondents have been in their current role as executive director for 4 years or less. Only one-third of executive director respondents were promoted from within their organizations.

## General Job Satisfaction, Compensation and Challenges

**At least 75% of executive director respondents agreed or strongly agreed that the demands of their jobs are manageable most of the time, they enjoy their role as executive director most of the time, and they have opportunities for training and development to help them be successful in their role.**

**60% of executive directors agree or strongly agree that they are compensated fairly for their jobs.**

**When asked to rate what keeps them up at night, more executive directors rated fundraising as the “highest concern” than any other concerns.** Less than half of executive director respondents (44%) have a full-time or part-time staff member other than themselves whose primary role is fundraising.

# Survey Highlights (continued)

## Nonprofit Executives and the Board of Directors

**Overwhelmingly, nonprofit chief executives report a good relationship with the board of directors.**

- 94% agreed or strongly agreed with the statement, “I have a positive working relationship with my board.”
- 89% agreed or strongly agreed with the statement, “I have a strong relationship with my board chair.”

**The majority of executive directors spend 10 hours or less each month working with the board.**

- 9% of chief executives spend more than 20 hours each month with the board.
- Executive directors spending less than 5 hours per month with their board of directors were more likely to answer “disagree” or “neutral” when asked if their board is a high-performing board.

**Executive director respondents opinions are divided on the issue of their own board’s performance.**

- 48% of nonprofit executives agree or strongly agree that their board is a “high-performing” board.
- 54% agree or strongly agree that their board has the necessary diversity of skills and background.

## Leadership Development Opportunities

**While nearly half of executive directors agree or strongly agree that they have access to enough resources to enhance their leadership development, only 21% agree or strongly agree that they have enough time to devote to leadership development.**

**Most executive directors are currently involved in some aspect of leadership development and many would like other/additional leadership development opportunities.**

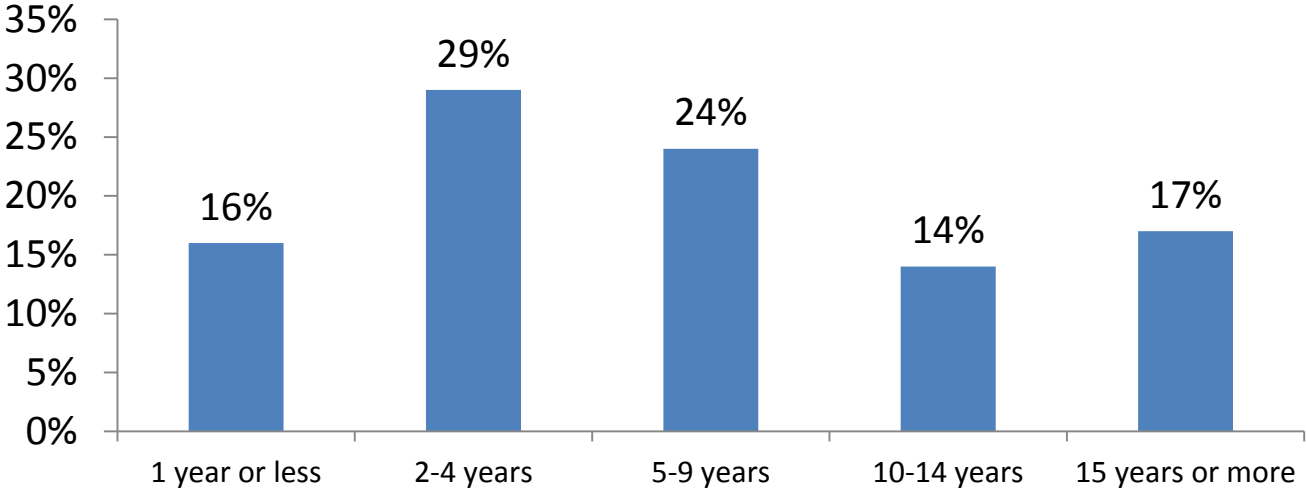
- The most readily accessed form of leadership development opportunities is workshops and trainings.
- Approximately half of executive directors are connected to a national group of executive directors working in their field.
- Only 5% of executive director respondents are working with an executive coach, but 65% responded that they would like executive coaching to enhance their leadership.

**Peer groups of nonprofit executive director colleagues are in high demand.**

- 67% of executives report that they are members of a formal or informal group of nonprofit colleagues on whom they can call for discussions about and support for leadership challenges.
- 86% of executive directors are interested in joining a group offering peer support and structured conversations around leadership development.
- 55% expressed interest in peer mentoring programs to enhance their leadership.

# Executive Director Experience Varies Widely

Years in Executive Director Position at Current Organization



49% of respondents report that their current role is the first time they have held the chief executive position.

67% of executive director respondents were hired from outside the organization, not promoted from within.

# General Job Satisfaction, Compensation and Evaluation

Though 98% of executive directors agreed or strongly agreed that they enjoy being an executive director for the organization most of the time, only half reported that the job allows a good work/life balance.



Agree/Strongly Agree



Neutral



Disagree

The demands of my job are manageable most of the time.

**76%**

**13%**

**11%**

I enjoy my role as executive director for this organization most of the time.

**98%**

**2%**

-

The job allows a good work/life balance.

**53%**

**25%**

**22%**

I am compensated fairly for my job

**60%**

**25%**

**15%**

Each year, my board provides a fair performance review based on pre-defined goals and objectives.

**57%**

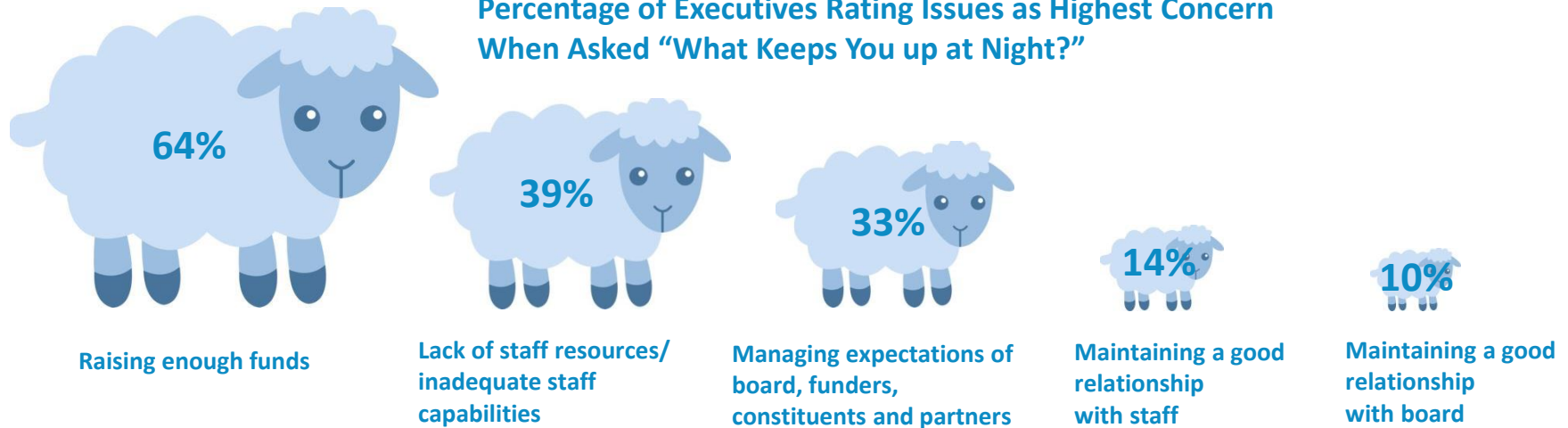
**25%**

**18%**

# What Keeps Executive Directors Up at Night

When asked to rate what keeps them up at night on a scale of 1 to 3 (1 = lowest concern, 3 = highest concern), more executive directors rated fundraising with a rating of 3 than any other issue.

Percentage of Executives Rating Issues as Highest Concern When Asked “What Keeps You up at Night?”



**43%** of executive directors have at least one full or part-time staff member other than themselves with a primary role of fundraising



**57%** of executive directors have no other paid staff with primary role of fundraising

67% of executive directors at organizations with fundraising staff rated fundraising as a top concern.  
62% of executive directors without fundraising staff rated fundraising as a top concern.

# Nonprofit Executive Directors & the Board of Directors

In general, executive directors agree or strongly agree that working with the board is enjoyable most of the time, members of the board appreciate them as professionals and they have strong relationships with their board chairs. Approximately half of executive directors agree or strongly agree that their boards are “high-performing” and have the diversity of skills and backgrounds necessary.



Agree/Strongly Agree



Neutral



Disagree

The board is high-performing	<b>48%</b>	<b>32%</b>	<b>20%</b>
The board has the diversity of skills and backgrounds necessary	<b>54%</b>	<b>21%</b>	<b>25%</b>
I have a strong relationship with my board chair	<b>89%</b>	<b>9%</b>	<b>2%</b>
Working with the board is enjoyable most of the time	<b>89%</b>	<b>8%</b>	<b>3%</b>
In general, members of the board appreciate and respect me as a professional	<b>93%</b>	<b>5%</b>	<b>2%</b>



# Amount of Time Spent Working with the Board

62% of executive directors spend 10 hours or less working with the board each month, while 9% of executives spend 10-20 hours working with the board, and 9% spend 20 hours or more working with the board.

## Hours Per Month Executive Directors Report Spending with Their Boards



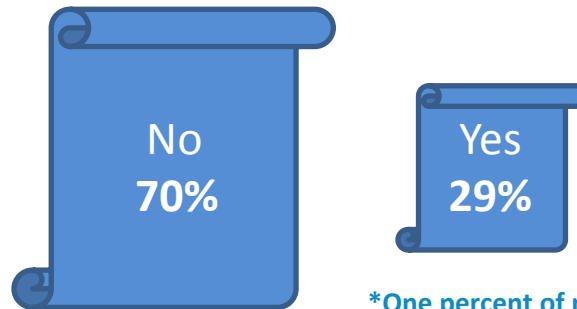
More executive directors spending less than 5 hours per month with their boards disagree with the statement “the board is a high performing board” than any other group.

Data does not show clear patterns relating the amount of time executive directors spend with their boards monthly and the executive directors’ belief that their boards members have the right diversity of skills and backgrounds.

# Succession Planning

A written succession plan helps the board of directors plan for an executive transition, both in the case of an expected departure or retirement of the chief executive and an unexpected departure or sudden resignation of the chief executive.

## Overall percentage of executive director respondents reporting a written succession plan\*



41% of executive directors at organizations with budgets of \$5 million or more reported that their organizations had a succession plan in place.

There were no executive directors at organizations with budgets of less than \$100,000 reporting that their organizations had a succession plan in place.

Based on data from The Giving Partner ([www.thegivingpartner.org](http://www.thegivingpartner.org)), only 12% of all organizations (with or without an executive director on staff) have a written succession plan. In this platform, organizations are required to upload a plan meeting minimum requirements if answering “yes.”



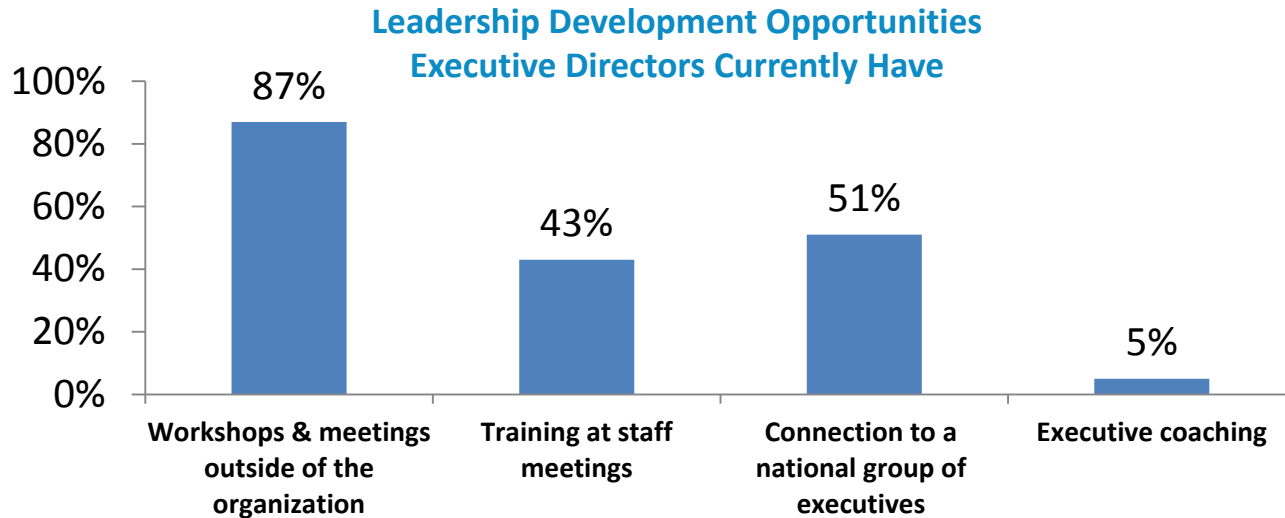
# What is your primary leadership challenge in your role as executive director?

## Issues cited by executive directors as challenging to their leadership development include:

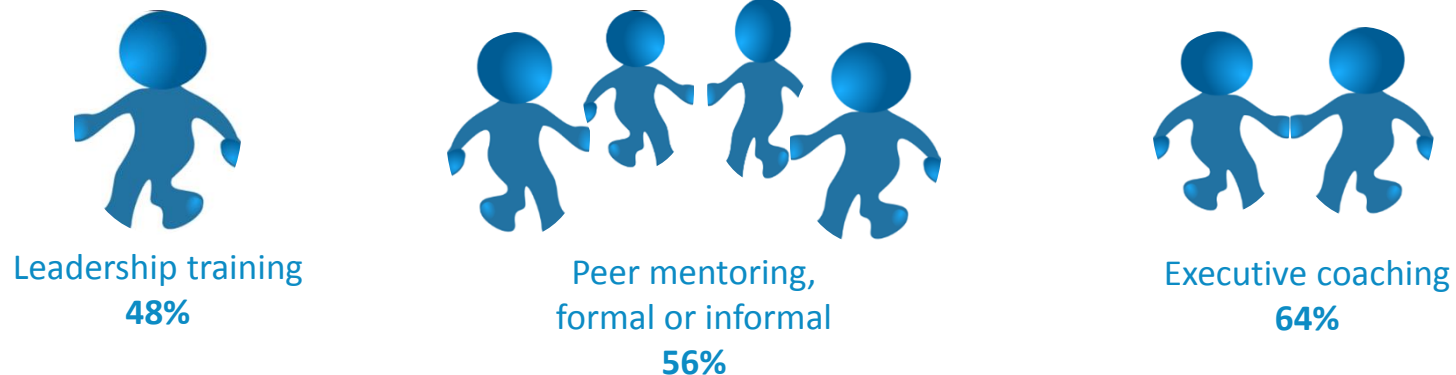
- Time management
- Wearing too many hats
- Balancing mission and margin
- Managing collaborative relationships with difficult partners and foundations
- Balancing day-to-day challenges with “being visionary”
- Ability to focus on leadership vs. management
- Adaptive leadership and being strategic
- Feeling stuck in the middle between board and staff
- Engaging the board in strategic work
- Moving organization to a national platform
- Locating and retaining high-performing staff
- Attaining sustainable growth without risk to the organization
- Promoting innovation and talent onboarding
- Positive motivation of staff
- The natural process associated with Founder’s Syndrome
- Navigating state legislature/politicians/advocacy

# Leadership Opportunities, Now and in the Future

77% of executive directors answered agree or strongly agree when asked if they currently have opportunities for training and development to help them be successful in their roles.



### Leadership Development Opportunities Executive Directors Would Like to Have



# Additional Executive Director Comments

“I love what I do. Seeing our organization grow is amazing. Knowing what the organization will eventually become is even more amazing. It takes passion, dedication and hard work and, above all, good people.”

“Peer group would be critical but confidentiality is always a concern.”

“[Need] tools for keeping staff and myself from burning out.”

“We need access to high quality training program opportunities for staff offered at low or no cost.”

“I prefer the social innovation lab model...where executive directors and stakeholders could come together to develop a community response to need. Such a collaborative effort reduces direct competition and encourages shorter learning cycles.”

“From my view, mission-driven folks have a hard time with work-life balance. There is a tendency to focus on the ‘important work’ and neglect the ‘self.’”

“I need to learn better how to encourage and enhance [leadership] gifts in others with constructive criticism.”

“Board recruitment and development along with motivating individual board members to step up and get engaged in visionary and mission driven activities outside of fiduciary responsibilities are things my executive director peers and I talk about with each other.”

“The best leadership development activities I have been involved with were those where CEOs shared their challenges and uncertainties in a confidential forum, and the attendees were provided significant time in small groups to discuss their challenges.”

# Moving Forward & Proposed Actions

Moving forward, there are several action steps for boards of directors, executive directors and for organizations providing nonprofit resources and capacity building opportunities such as the Community Foundation of Sarasota County.

## Boards of Directors

Nonprofit boards of directors are charged with hiring the executive director, supporting the executive director and assessing his or her performance. Additionally, boards of high-performing organizations will want to:

- **Encourage and support leadership development** for the chief executive, including budgeting for opportunities during each fiscal year.
- Set the tone for an **organizational culture** in which strong leadership is viewed as paramount.
- Work with the chief executive to prepare a **written succession plan** covering planned and unplanned executive transitions.
- Regularly **engage in nonprofit governance opportunities** such as trainings, workshops and board self-assessment to build the leadership capacity and knowledge of the board.
- Deliver a **meaningful annual performance** appraisal for the chief executive director based on success measures that have been agreed to well in advance.

## Nonprofit Executive Directors

Whether the nonprofit chief executive is new in his or her role or is seasoned with many years of experience, taking the lead in continued leadership development can take many forms:

- Actively **seek opportunities** for personal leadership development and make time for them.
- **Share the value** of leadership development for your organization with the board, using concrete examples.
- **Invest in leadership development for staff** and associate opportunities with organizational goals.
- Encourage the board to develop a **written succession plan**.
- Take an active role in building relationships with **executive director colleagues and peers** who can be called upon for confidential support and encouragement. Offer confidential support and encouragement for your colleagues.



# Moving Forward & Proposed Actions

## Community Foundation of Sarasota County

Many leadership programs, coaching opportunities and peer-to-peer exchanges exist within our community and on a statewide and national basis. Though the Foundation does not wish to create new leadership programs, we encourage boards and leadership to explore what is available and take advantage of existing opportunities. The Community Foundation *will* offer the following:

- **Existing Monthly Workshops and Consulting Services**

Leadership development and follow-up opportunities will be interwoven into each of our monthly workshops and trainings, consulting engagements and regular educational communication pieces moving forward. Board governance training including topics such as succession planning, CEO evaluation and other related issues will continue to be offered.

- **New Learning Session for Nonprofit Executives**

The Community Foundation will host a learning session for local executive directors to explore the knowledge we have gained through survey results and how it can be applied. Local executives, Community Foundation consultants, and experts in leadership development will lead the session.

- **Online Toolkit**

An online toolkit with various leadership development resources for executive directors and boards is being prepared. Local, national and online leadership development opportunities for executive directors, best practices for executive directors and boards to develop leadership skills, and more will be included.

- **Pilot Executive Director and Peer Network/Exchange**

The Community Foundation will pilot a small group of 8-10 local nonprofit executive directors who will agree to meet monthly for 6-8 months for peer support and structured discussions of leadership topics. The sessions will be co-created by the group and the group will determine its success measures relating to personal and organizational leadership development.

- **Executive Coaching Connections**

Explore possibilities to provide nonprofit executives with information on certified executive coaches—how to find them, how to interview them, and how to select the appropriate coach. Potential resources may be Community Foundation consultants or coaches affiliated with recognized coaching organizations.

- **Continue Options for Fundraising Education and Development Support**

The Community Foundation will continue offering fundraising trainings and supporting the collaborative relationship with the Southwest Florida Chapter of the Association of Fundraising Professionals.





**COMMUNITY  
FOUNDATION**

---

**of Sarasota County**

**This report was prepared by the Community Foundation of Sarasota County.  
Questions? Contact Susie Bowie, Director of Nonprofit Strategy.  
(941) 556-7104  
Susie@CFSarasota.org**

Special thanks to Marilyn Thompson, Community Foundation volunteer consultant, for her dedication of many hours in the area of leadership development for the purposes of this study.

Thanks to the following individuals who reviewed the survey in its draft form, provided feedback and continuing ideas and expertise: Sophia LaRusso, CFSC volunteer consultant; Sandi Stewart, CFSC volunteer consultant; Ray Rogers, CFSC volunteer consultant; Judith Wilcox; Karen Bogues, Community Youth Development executive director; Katrina Bellemare, Family Partnership Center executive director; Terry McGannon, Meals on Wheels of Sarasota executive director; and Jane Johnson, volunteer.