

NeighborWorks® Training Institute

NA 153: EFFECTIVE LEADERSHIP IN NATIVE COMMUNITIES

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TABLE OF CONTENTS

TAB 1	Course Overview <ul style="list-style-type: none">• Course Description• Learning Objectives• Agenda
TAB 2	Discovering Positive Power
TAB 3	Learning from Traditional Native Leadership
TAB 4	Assessing Your Approach to Leadership <ul style="list-style-type: none">• Skills Inventory• Styles Inventory• Leadership Vision
TAB 5	Understanding Emotional Intelligence and Different Leadership Styles: Tools for Leaders
TAB 6	Overcoming Leadership Challenges <ul style="list-style-type: none">• Case Studies• Examining our Challenges
TAB 7	Starting a Succession Plan
TAB 8	Creating a Leadership Workplan
TAB 9	Select Articles on Leadership
TAB 10	Resources <ul style="list-style-type: none">• Additional Leadership Resources• About the Instructors/Curriculum Developers

TAB 1

COURSE OVERVIEW

COURSE OVERVIEW

COURSE TITLE: Effective Leadership in Native Communities

LENGTH OF COURSE: 1 day

COURSE DESCRIPTION:

In this one-day course, we will look at what it takes to be an effective leader in Native communities, and provide tools, strategies, and ideas to strengthen leadership. We will start by looking at leadership in Native communities from a historical perspective, looking at who leaders were, how they were chosen, and some of their leadership traits. We will then turn to participants' own leadership skills and styles, identifying strengths and areas that can be strengthened. We will then discuss two concepts that Daniel Goleman outlines in his article *Leadership That Gets Results*: emotional intelligence and the idea that we can use different leadership styles at different times. We will examine leadership challenges together, and brainstorm ways we can address these challenges, looking at a case study as well as participants' own experiences. We will then look at how we can sustain strong leadership even when a leader moves on – by focusing on succession planning. At the end of the day, participants will have the opportunity to develop their own leadership workplan, noting different elements they would like to focus on and strengthen in the future.

COURSE OBJECTIVE: This course will enable participants to analyze their leadership and identify ways to strengthen their leadership efforts.

CORE COMPETENCIES AND LEARNING OBJECTIVES:

Competency 1: Participants will be able to describe key elements of traditional Native leadership, including how leaders were chosen and specific leadership traits, and identify elements that can be incorporated into their own leadership.

Learning Objective 1a: By the end of session 1, based on hearing stories about Native leaders and an activity analyzing Native leadership, participants will be able to identify elements of Native leadership that they can incorporate into their own leadership efforts.

Competency 2: Participants will be able to describe their leadership skills and styles, and develop a “leadership vision” to identify strengths and areas that they wish to strengthen.

Learning Objective 2a: By the end of session 2, based on a skills inventory, participants will be able to analyze their leadership skills.

Learning Objective 2b: By the end of session 2, based on styles inventory, participants will be able to analyze their leadership style.

Learning Objective 2c: By the end of session 2, based on the results of their inventories, participants will be able to develop a “leadership vision” which identifies strengths, areas of their leadership they wish to strengthen, and elements of traditional Native leadership that they may wish to incorporate.

Competency 3: Participants will be able to describe the concept of “emotional intelligence” and its importance to leadership, as well as six different leadership styles outlined by Daniel Goleman in his article, *Leadership That Gets Results*.

Learning Objective 3a: By the end of session 3, through reading the article *Leadership That Gets Results*, and class discussion on the article, participants will be able to explain the importance of emotional intelligence in effective leadership.

Learning Objective 3b: By the end of session 3, through reading the article *Leadership That Gets Results*, and class discussion on the article, participants will be able to outline the six different leadership styles that author Goleman describes, and explain the idea of using different styles at different times.

Learning Objective 3c: By the end of session 3, through reading the article *Leadership That Gets Results*, and class discussion on the article, participants will be able to add additional elements to their “leadership vision” which may reflect aspects of emotional intelligence or the six different leadership styles that author Goleman describes.

Competency 4: Participants will be able to generate different strategies to address common challenges that Native CDFI leaders may face.

Learning Objective 4a: By the end of session 4, through case study analysis participants will be able to identify challenges that Native CDFI leaders may face, and develop strategies to address these challenges.

Learning Objective 4b: By the end of session 4, through small group discussions, participants will be able to discuss leadership challenges that they currently face, and develop strategies with the group to address these challenges, including concrete next steps.

Competency 5: Participants will be able to explain the importance of succession planning for long-term organizational sustainability, and identify the elements of a sample succession plan that they can incorporate into their own succession plans.

Learning Objective 5a: By the end of session 5, through class discussion, participants will be able to explain what succession planning is, and its importance planning for long-term organizational sustainability.

Learning Objective 5b: By the end of session 5, through analyzing sample succession plans in small groups, participants will be able to identify elements of that they can incorporate into their own succession plans.

Competency 6: Participants will be able to develop a leadership workplan to guide their efforts to strengthen their leadership.

Learning Objective 6a: By the end of the course, participants will be able to develop a leadership workplan which identifies different areas of leadership that they wish to work on and strengthen.

AGENDA

- 8:30 *Opening Prayer*
Welcome, Review Agenda and Learning Objectives
- 8:45 *Discovering Positive Power*
- 9:00 *Learning from Traditional Native Leadership*
- 10:00 **Break**
- 10:15 *Assessing Your Approach to Leadership*
- 11:00 *Emotional Intelligence and Different Leadership Styles:
Tools for Leaders*
- 12:00 **Lunch**
- 1:00 *Addressing Leadership Challenges*
- 2:30 **Break**
- 2:45 *Starting a Succession Plan*
- 3:45 *Creating a Leadership Workplan*
- 4:00 *Wrap up and Evaluation*

TAB 2

DISCOVERING POSITIVE POWER

Identifying Positive Power

Take a few moments to answer the following questions.

1. Write down the names of three powerful individuals.
 - 1.
 - 2.
 - 3.
2. Why did you select these individuals? What qualities do you admire in these individuals?
3. Did you list yourself? If not, why not?

Whether we recognize it or not, we are all powerful. Too often, people have negative associations with power. Some people associate it with control, greed, a lack of humility, or money. Sometimes we are scared and reject our power or try to give it away. Instead, we need to recognize that power can be positive, depending on how we develop and use it. As we embrace our power in a positive light, we liberate others to do the same. How are you using your power today? Are you using your power to inspire or control?

TAB 3

LEARNING FROM TRADITIONAL NATIVE LEADERSHIP

Exploring Traditional Native Leadership

There is a long history of strong leadership in Native communities. Native leaders relied on prayer, visions, stories, experience, community and their intuition to lead their people. Leaders listened, reflected and acted with intention. Mentoring and modeling has often played an important role in teaching leadership skills to younger generations.

Native leaders have successfully led their people for generations. Now we reflect upon their examples to strengthen our own abilities.

Traditional Native stories guide us and provide lessons connecting the past, present and future generations. Tell a story about a past or present leader in your community.

Reflecting on these stories and what you know about historical and current leaders in our communities, consider the following questions.

What are some traits of leaders? How would you describe them?	
Why did/do people follow these leaders?	
How did/do they build consensus with their people?	
Are you aware of any practices this leader used to maintain balance and guide their leadership? (e.g., prayer, sweat)	

- Page 12 of 82

TAB 4

ASSESSING YOUR APPROACH TO LEADERSHIP

Assessing Your Approach to Leadership

Now, we will turn to looking at our own leadership skills and styles. It is important to understand our personal leadership styles and skills, because they impact all aspects of our organizations' dynamics and development.

While we are leaders in our organizations and our communities, we don't often have the opportunity to step back and look at our leadership – what kind of leaders are we? What do we do well? What aspects of our leadership could we strengthen?

In this section, we have the opportunity to begin to assess and think intentionally about our leadership. You will complete two assessments of your own leadership: one inventory focuses on skills, while the other focuses on styles. Once you complete these inventories, you will start to develop a “leadership vision” to guide your work in strengthening your leadership over the next eighteen months of the Leadership Journey.

Using Leadership Skills and Styles Inventories

The following inventories are common tools used in assessing personal leadership skills and styles.

Complete the following Skills and Styles Inventories based on your leadership experience.

Skills Inventory

Read each item carefully and decide whether the item describes you as a person. Indicate your response to each item by checking the box to one of the five numbers to the right of each item.

Rating Key:

- 1 = Not True
- 2 = Seldom True
- 3 = Occasionally True
- 4 = Somewhat True
- 5 = Very True

#	Statement	1	2	3	4	5
1	I enjoy getting into the details of how things work.					
2	As a rule, adapting ideas to people's needs is easy for me.					
3	I enjoy working with abstract ideas.					
4	Technical things fascinate me.					
5	Being able to understand others is the most important part of my work.					
6	Seeing the big picture comes easy to me.					
7	One of my skills is being good at making things work.					
8	My main concern is to have a supportive communication climate.					
9	I am intrigued by complex organizational problems.					
10	Following directions and filling out forms comes easily for me.					
11	Understanding the social fabric of the organization is important to me.					

12	I would enjoy working out strategies for my organization's growth.					
13	I am good at completing the things I've been assigned to do.					
14	Getting all parties to work together is a challenge I enjoy.					
15	Creating a mission statement is rewarding work.					
16	I understand how to do the basic things required of me.					
17	I am concerned with how my decisions affect the lives of others.					
18	Thinking about organizational values and philosophy appeals to me.					

Scoring

The skills inventory is designed to measure three broad types of leadership skills: technical, human, and conceptual. Score the questionnaire by doing the following:

First, add the responses on items 1,4,7,10,13, and 16

TECHNICAL: _____

Second, add the responses on items 2, 5, 8, 11, 14, and 17

HUMAN: _____

Third, add the responses on items 3, 6, 9, 12, 15 and 18

CONCEPTUAL: _____

Your skills inventory scores provide information about your leadership skills in three areas. By comparing the *relationship* between your scores, you can determine where you have leadership strengths and what areas you might want to work to strengthen. Now, we'll move on to the Styles Inventory.

This skills inventory is from Northhouse, P.G. (2007). *Leadership: Theory and practice* 92nd ed.). Thousand Oaks, CA: Sage.

Styles Inventory

Read each item carefully and think about how often you engage in the described behavior. Indicate your response to each item by checking the box for one of the five numbers to the right of each item.

Rating Key:

- 1 = Never
- 2 = Seldom
- 3 = Occasionally
- 4 = Often
- 5 = Always

#	Statement	1	2	3	4	5
1	Tell groups members what they are supposed to do.					
2	Act friendly with members of the group.					
3	Set standards of performance for group members.					
4	Help others feel comfortable in the group.					
5	Make suggestions about how to solve problems.					
6	Respond favorably to suggestions made by others.					
7	Make my perspective clear to others.					
8	Treat others fairly.					
9	Develop a plan of action for the group.					
10	Behave in a predictable manner toward group members.					
11	Define roles and responsibilities for each group member.					
12	Communicate actively with group members.					
13	Clarify my role with the group.					
14	Show concern for the well being of others.					
15	Provide a plan for how the work is to be done.					
16	Show flexibility in making decisions.					
17	Provide criteria for what is expected of the group.					

18	Disclose thoughts and feelings to group members.					
19	Encourage group members to do high-quality work.					
20	Help group members get along.					

Scoring

The style inventory is designed to measure two major types of leadership behaviors: task and relationship. Score the questionnaire by doing the following:

Add the responses on the odd numbered items: TASK _____

Add the responses on the even numbered items: RELATIONSHIP _____

SCORING INTERPRETATION

45-50 Very High Range

40-44 High Range

35-39 Moderately High Range

30-34 Moderately Low Range

25-29 Low Range

10-24 Very Low Range

This skills inventory is from Northhouse, P.G. (2007). Leadership: Theory and practice 92nd ed.). Thousand Oaks, CA: Sage.

What Do These Assessments Show Us?

Where do your strengths lie between technical, human and conceptual skills?

What skills can you work on to become a better leader?

Is your task or relationship style stronger?

How can you strengthen your style to become a better leader?

Developing Your Leadership Vision

Native leaders have understood the power and importance of having a clear vision, and emphasized that the decisions must keep the interest of future generations in mind. Like creating a mission statement to guide your organization, let's start to develop a leadership vision that describes the leader you aspire to be.

Reflecting on the components of your self-assessments and traditional leadership qualities, develop your own leadership vision. This is meant as a personal tool, so create something that is meaningful to you.

Creating Your Leadership Vision

In developing your leadership vision, it may be helpful to think about the following questions:

- What are your strengths as a leader?
- What is your strongest skill area?
- Is there a skill area that you'd like to focus on?
- How would you describe your leadership style?
- Are there aspects of your style that you'd like to focus on?
- Are there elements of traditional Native leadership that you'd like to incorporate into your vision?

TAB 5

UNDERSTANDING EMOTIONAL INTELLIGENCE AND DIFFERENT LEADERSHIP STYLES: TOOLS FOR LEADERS

Understanding Emotional Intelligence and Leadership Styles: Tools for Leaders

Now that you have assessed your leadership and skills, and identified areas to strengthen, we would like to introduce two leadership concepts that Daniel Goleman suggests in his article, *Leadership That Gets Results*.¹ The first is the concept of “emotional intelligence,” while the second is the idea that there are six distinct leadership styles that leaders can use effectively in different situations.

Emotional intelligence is the ability to effectively perceive, interpret, and manage emotions for ourselves and in our relationships with others. While a leader’s cognitive intelligence and skills are important, emotional intelligence, or “EQ,” is particularly significant to his or her success. Goleman outlines four key components of emotional intelligence:

- Self-awareness
- Self-regulation
- Social awareness
- Social skill

The table on the following page illustrates the four core capabilities of emotional intelligence along with related sets of competencies.

Goleman’s research has shown that it is emotional intelligence that separates the good from the great leaders. Building one’s emotional intelligence requires focused effort and support over a significant period of time. Unlike acquiring a technical skill, building your emotional intelligence requires diligent practice over many months. A person needs regular constructive feedback to build their awareness and assist them in developing new emotionally intelligent practices. Those who are intent on building these skills often work with a partner or coach to provide feedback, support, and dissect relapses to understand work place triggers. To build EQ, the focus needs to be on repeating desired behaviors until they become an integrated habit and leadership competency.

¹ Goleman, Daniel, *Leadership That Gets Results*, Harvard Business Review March-April 2000.

Self-Awareness	Self-Management	Social Awareness	Social Skill
<p>Emotional self-awareness: the ability to read and understand your emotions as well as recognize their impact on work performance, relationships, and the like.</p> <p>Accurate self-assessment: a realistic evaluation of your strengths and limitations.</p> <p>Self-confidence: a strong and positive sense of self-worth.</p>	<p>Self-control: the ability to keep disruptive emotions and impulses under control.</p> <p>Trustworthiness: a consistent display of honesty and integrity.</p> <p>Conscientiousness: the ability to manage yourself and your responsibilities.</p> <p>Adaptability: skill at adjusting to changing situations and overcoming obstacles.</p> <p>Achievement orientation: the drive to meet an internal standard of excellence.</p> <p>Initiative: a readiness to seize opportunities.</p>	<p>Empathy: skill at sensing other people's emotions, understanding their perspective, and taking an active interest in their concerns.</p> <p>Organizational awareness: the ability to read the currents of organizational life, build decisions networks, and navigate politics.</p> <p>Service orientation: the ability to recognize and meet customers' needs.</p>	<p>Visionary leadership: the ability to take charge and inspire with a compelling vision.</p> <p>Influence: the ability to wield a range of persuasive tactics.</p> <p>Developing others: the propensity to bolster the abilities of others through feedback and guidance.</p> <p>Communication: skill at listening and at sending clear, convincing, and well-tuned messages.</p> <p>Change catalyst: proficiency in initiating new ideas and leading people in new a new direction.</p> <p>Conflict management: the ability to de-escalate disagreements and orchestrate resolutions.</p> <p>Building bonds: proficiency at cultivating and maintaining a web of relationships.</p> <p>Teamwork and collaboration: competence at promoting cooperation and building teams.</p>

Building on the concept of emotional intelligence as a foundation, much of Goleman's discussion in *Leadership That Gets Results* focuses on **different leadership styles**. In the article, he outlines the different styles, and emphasizes that rather than using just one style, one leader can actually use different styles at different times. In fact, he maintains that effective leadership should mean using different styles at different times, depending on the circumstances.

The more leadership styles a person can master, the larger the toolkit they have to draw from in response to the varying needs of their staff and organization. The most effective leaders can seamlessly move between styles. This skill is highly dependent on their emotional intelligence and ability to sense the impact they are having on their staff and office climate, and then adjust their style to get the most from their team. Those leaders that recognize a weakness in their style toolkit may also support their team by hiring department leaders who possess these skills. Again, this approach works best when a leader can recognize their strengths and weaknesses and work with the management team to leverage their joint skills to obtain the best work from their team.

The six styles that Goleman outlines are described on the following page:

- **Coercive style.** This is a directive style where the leader dictates what, when and how things get done. This style works well in a crisis, but often decreases staff motivation.
- **Authoritative style.** Using this style, a leader creates and motivates with a clear and inspiring vision. Staff understands how their work fits into the organizational vision, and are given flexibility around how they reach their goals. Staff are often committed and innovative under this style of leadership. According to Goleman, this is the most effective style.
- **Affiliative style.** Using this style, a leader values and prioritizes their relationships with staff members over tasks and goals. This leadership style seeks harmony within the team, and invests time and energy into building positive strong relationships with team members. A natural result of this style is that it fosters trust and loyalty between the leader and their team. This style works well to grow morale, improve communication, and restore trust. This style has an associated risk of being too focused on praise, and not providing staff with enough critical feedback or direction when needed.
- **Democratic style.** This consensus building style seeks input from all members of a team enabling staff to influence goals and the approach to accomplishing them. This leadership style increases communication, trust and commitment, motivating staff to set realistic goals and reach them. This style is most successful when the staff are skilled and informed so they can contribute constructive and critical feedback to the decision making process. A challenging aspect of this approach is the time that is required to build consensus. It can be exhausting and run the risk of feeling unproductive.
- **Pacesetting style.** This leadership style revolves around a leader who sets increasingly high standards and goals for themselves and the team. This style does not invest in creating a positive work environment, but is about pushing productivity. This type of leader doesn't offer a lot of input or direction, but expects staff to exceed expectations. This type of leader is apt to take over projects they do not feel are being done well. This approach can work when staff is highly experienced, skilled, and self-motivated. In this case, productivity and output are very high and can exceed expectations.
- **Coaching style.** This relationship-based style involves a leadership investment in staffmembers' personal development. This supportive relationship encourages staff to experiment and challenge themselves, knowing they will receive constant feedback and support. It requires that the leader has the skill and time to work with their staff to set meaningful goals, be an accountability partner, work through obstacles, and celebrate success. This style is most successful when the leader is a capable coach and staff knows their weaknesses, understands the benefit of developing new skills, and desires support in reaching meaningful goals.

Returning to Your Leadership Vision

Now that we've looked at the concept of emotional intelligence and six leadership styles that Goleman describes, let's turn back to your leadership vision. Is there anything you'd like to incorporate about emotional intelligence or its competencies? Are there any leadership styles you'd like to use more? Or less?

TAB 6

ADDRESSING LEADERSHIP CHALLENGES

Identifying Our Leadership Challenges

Native leaders have encountered and continue to face many challenges. Everyone has their own approach to facing challenges, overcoming obstacles and making big decisions. Some leaders consult with a mentor, others pray or take time to understand a problem by investigating the facts. What is your approach to facing challenges, overcoming obstacles and making big decisions?

Take a look at the following case studies, and answer the accompanying questions.

Case Study #1: Coming Home

Adam is frustrated. Five months ago, he was thrilled. After graduating from Dartmouth College with a degree in finance, he came home to his tribe and was hired as the first executive director of the tribe's new Native CDFI. He was excited to find a job where he could use his finance knowledge and contribute to his community at the same time. He had even written his senior paper on Native CDFIs. A lot of groundwork had been laid for the CDFI, and the rest of the staff was in place when he came on board. As executive director, Adam was managing a staff of five. He had been confident that he could lead this team of experienced staff effectively. Now, he's not so sure.

Adam is trying to do his best, working all the time, nights and weekends, but he feels that this is never enough, and his staff is not supporting him. He's writing grants to raise capital, trying to prepare the CDFI Fund certification application, managing loan fund committee meetings, meeting with council, and trying to develop loan policies. He had actually asked one of his staff members, David, to draft the loan policies, but they weren't what he needed, so Adam is starting from scratch. And now, David doesn't seem to be finishing any of the other tasks he's been assigned, and keeps giving excuses. In general, while they seemed excited at first, all of the staff seem to be doing the bare minimum, and rather than following his example and giving it their all, they don't seem invested in the success of the organization.

Questions – Case Case Study #1: Coming Home

Describe Adam's leadership style:

What could Adam do differently to strengthen his leadership?

How would using a different leadership style impact his staff and organization?

Case Study #2: Too Much of a Good Thing?

Marianna is an experienced Native CDFI executive director. She knows when she needs help. When her organization, “People’s Loan Fund” was just starting out, she did all of the grantwriting herself. But as her organization grew, she recognized the need to bring in outside consultants to assist in certain areas, including grantwriting. For a long time, she had worked with one consultant who was tribal member, Patty, and things worked well. Patty understood the organization and helped raise much of their needed capital. People’s Loan Fund grew slowly and steadily.

But one year ago, Patty decided to retire and move to California to be closer to her children. She and Marianna decided to contract with Mark, a well-known consultant who had a reputation for bringing in lots of capital. Marianna contacted Mark and he was delighted to work with the People’s Loan Fund. In just one year, Mark brought in millions of dollars for the People’s Loan Fund. Instead of feeling thrilled and relieved, Marianna is stressed and not at all sure that she wants to continue to contract Mark.

First, he insisted that her staff and board needed devote one week to a strategic planning retreat that he would facilitate to frame their five-year vision. When she explained that they had just held a retreat six months ago and were very clear on their vision, he insisted they needed to come together again, so he could hear their priorities and plans. Then, he asked her to develop lending projections for the NACA application. But instead of using her projections, he doubled them, and insisted on requesting the capital to support the projections. Now that that NACA application has been awarded, she is worried that her organization won’t be able to meet the high projections.

Marianna is also concerned about plans to increase the lending limit. While the People’s Fund started out focusing on microlending, they have expanded over time to small business loans (up to \$100,000). Now, Mark is encouraging the Board to make loans up to \$750,000, confident that he can raise the funds for these bigger loans. But Marianna is worried about borrowers’ capacity to re-pay these larger loans, and the impact that this can have on the organization’s portfolio.

Marianna’s Board loves Mark, and is very impressed by the funds he has brought in. When she has tried to point out her concerns, they have brushed her off, and talked about what an asset he has been for the organization.

Mark is clearly an effective fundraiser. He has brought in millions for the loan fund and can probably bring in millions more. But does Marianna have too much of a good thing?

Questions – Case Case Study #2: Too Much of a Good Thing?

What are the issues facing Marianna?

Should Marianna just stop working with Mark, or could you recommend ways to manage his efforts differently?

Case Study #3: Letting Go

Theresa, the executive director of a Native CDFI, is facing an issue that all managers dread: she knows that she has to lay off a staffmember because of a lack of funds. Three years ago, Theresa led a staff of five. Then, she was encouraged to apply for a three-year ANA grant to develop a financial education department. Previously, her CDFI partnered with another nonprofit, which had provided all of the financial education for her organization's clients. With ANA funding, Theresa was able to hire four additional staffmembers, and nearly double the size of her staff. She was concerned that she might not be able to sustain this higher level of staffing, but was excited about the possibility of developing the financial education department in-house and figured that she would have three years to bring in more funding sources to support it.

Over the three years, Theresa worked hard to raise loan capital, capital for core operations, and funding to sustain the financial education department. But economic times were difficult, one of her main private funding source changed its funding priorities, and federal funding was reduced. Nearing the end of the three-year ANA timeframe, Theresa recognizes that she only has enough funding to cover salaries for three of the four additional staff that had been hired under the ANA, and that she will have to let one staffperson go. Here are the staffmembers she is looking at:

- (1) Roberto is a financial education trainer. He is a dynamic trainer and clients respond to his teaching. He is currently finishing his college coursework.
- (2) Mary is the assistant loan officer. She was not part of the ANA-supported financial education department, but she has a poor attitude. She often comes to work late and her morale affects others.
- (3) Susan is the financial education coordinator. She effectively coordinates all of the financial education classes and counseling. She is very successful at outreach and recruiting potential financial education students and loan clients. She is Theresa's daughter.
- (4) Miguel is the deputy director. Theresa originally envisioned that Miguel could take over as executive director when she retires in the future. But it is clear that he would like to take over much sooner. He is constantly going to the Board about Theresa and questioning her management decisions.

Questions on Case Study #3: Letting Go

How should Theresa go about her decision of who to lay off and what should she consider?

Are there things that Theresa could have done differently to prevent this situation?

A Look at Your Challenges

Reflecting on your experience, let's look at your own leadership challenges. We'll work in small groups to share challenges and brainstorm ways to address them.

Take a few moments to list challenges that you face as a leader.

Select a common challenge and together brainstorm ways to approach this issue. Use the following questions to guide you.

1. Describe the challenge.
2. If this challenge is resolved, what will happen? What will it look like?
3. Have you tried to address this challenge before? What have you tried?
4. What does the group recommend? What could you do differently to address the issue?
5. Identify three concrete steps you can take within the next three months to address your challenge
6. Who can hold you accountable as you work to address this challenge?

TAB 7

STARTING A SUCCESSION PLAN

Thinking About Your Succession Plan

Please answer the following questions:

1. How long has the leader of your organization been in charge?

2. What will happen when they leave in the short-term? In the long-term?

3. Have you done any succession planning?

What is Succession Planning?

1. What is succession planning?
2. What are some examples of succession planning?
3. Looking at how Native leaders may be groomed and chosen, what are some traditional Native succession methods that we can incorporate into our own succession planning strategies?

Succession planning is preparing for strong, stable future leadership. It is thinking ahead to the time when a current organizational leader will not be in their position, and considering the most effective way to make sure that the “right” person (in terms of experience, approach, and training) is prepared to assume their responsibilities.

There are many successful forms of succession planning. It is important to come up with an approach and plan that fits your organization, talent pool, leadership and stakeholders. The following list describes a just a few possible options.

- Hire staff for another position, such as deputy director, with the idea that they’ll move into the director position. This lets the person get to know the organization, and be trained and mentored for the position. It also lets the organization “try out” the person, to make sure they’re the one for the job.
- Hire a new leader with a built-in transition period. Allow the outgoing leader to mentor the new leader on the job. This provides time for training. Once the outgoing-leader has left, consider hiring the outgoing-leader as a consultant to connect with the incoming-leader for a defined period of time.
- Groom current (possibly younger staff, with less time on board) for leadership positions. Here again, you need a strong commitment to mentoring, training, and providing professional development opportunities.
- Spend time developing a long and short-term succession plan with your Board.

Let's Take a Look at Some Samples

Now, let's take a look at some sample succession plans.

Working in small groups, please take a look at the attached succession plans, and answer the following questions:

1. What are some effective elements of this succession plan? What elements would you want to incorporate into your organization's succession plan?

2. What's missing from this succession plan?

3. If you were to give this plan 1-5 stars, how many would you give?

4. Do you have any other comments about this plan?

The Lakota Fund, Inc.
Succession Policy for Key Staff and Board of Directors

Purpose: The purpose of this policy is to provide direction for TLFI Incorporated Board of Directors and Executive Director in the event that key staff or a Director resigns or needs to be replaced. This policy is intended to provide continuity of operation for the organization and prevent a crisis reaction environment. This Policy should be implemented in a manner consistent with TLFI Personnel and other policies.

The Succession Policy for key staff should rely on TLFI's existing staff as its principal source of qualified candidates for the Executive Director and other key management positions. Other sources may be private referrals, public advertising, and word-of-mouth.

Succession Policy for Executive Director:

General Guidelines: The role of the Executive Director is critical to effective performance of TLFI because the person in this position supervises and manages all aspects of the organization including all other staff. Therefore, the Board of Directors requires that the Executive Director:

1. Endeavors to train other personnel in all operations critical to organizational operations.
 2. Select a staff member to act in the absence of the Executive Director in all management functions (in the case of a five day or more absence).
 3. Prepare and maintain a current book of operational requirements for the organization, and a clearly written job description for the Executive Director.
 4. Provide the Board 45-day notice in the case of a resignation.
- A. Procedures-In the event that a new Executive Director is needed due to retirement, voluntary or involuntary termination, or death the following procedures will be utilized:
1. The Chairperson of the Board or an appointed qualified individual will act as official spokesperson for TLFI until the new Executive Director is in place.
 2. The Board is to meet within seven days of knowledge of the vacancy (or sooner) to appoint a Search Committee to select a replacement.
 3. An existing staff member is to be appointed by the Board to be designated as the Acting Executive Director and "final decision-maker" during the interim period.
 4. Existing staff will notify the search committee as soon as practical of their interest in the position.

5. TLFJ staff members will be kept informed of actions taking place during the interim, and will conduct business in a normal manner unless directed to do so by the Board of Directors.
 6. The Acting Executive Director may act as a resource person for the Board.
 7. The Chairperson of the Board may communicate with the Acting Director daily or as often as necessary about TLFJ operations to assure continuity of functions.
 8. The Chairperson may assign an end date to the Search Committee's efforts to fill the Executive Director vacancy.
- B. Search Committee:
1. The Search Committee may be comprised of up to three Board members appointed by the Chairperson. The Chair or his/her designee will chair the Committee.
 2. Advertisements for the Executive Director position if any may appear through local and national media.
 3. Applications, if necessary, will be accepted for a minimum of thirty days.
 4. The Search Committee shall screen applicants and check references.
 5. The Board Chair will interview by phone or in person the top applicants.
 6. The Search Committee will establish a schedule for top three applicant interviews with the whole Board and may make recommendations to the Board prior to the final interview.
- C. Temporary replacements:
1. If a short term replacement is needed (one to 12 months) because of an illness or temporary circumstance, an Acting Director will be named, and will consult if possible with the Executive Director.

Succession Policy for Other Key Employees:

The Lakota Fund Personnel Policies provide direction for recruiting and hiring staff and will serve as adequate guidance in most instances when key staff must be replaced. In unusual circumstances where satisfactory personnel cannot be replaced by ordinary methods and this threatens functioning of the organization in a serious way, the Executive Director may confer with the Board of Director Personnel Committee to institute unusual procedures.

Succession Policy for Board of Directors' Positions

General Guidelines: The TLFJ Board of Directors is responsible for naming persons to fill Board vacancies and is charged with recruiting and selecting the most qualified candidates willing to volunteer their time to serve.

A. Procedures:

1. The Executive Director will assemble for Board approval, a clearly written description of duties and responsibilities of Board members, including officers, consistent with the current approved Charter and Bylaws of The Lakota Fund, Incorporated.
2. The Executive Director will maintain a shortlist of possible candidates to fill vacant Board positions who have qualifications to enable them to fill Board duties and responsibilities. If this list is not satisfactory to the Board, they will appoint a Search Committee comprised of three or more Board members to approach respected community members to encourage them to seek a Board position and may also advertise for Board members. This Committee will screen applicants and select top candidates to be interviewed by the entire Board.
3. The Board of Directors will vote to choose and seat new Board member(s) in a timely manner.

SUCCESSION PLAN
FOR POSITION OF EXECUTIVE DIRECTOR
NATIVE AMERICAN COMMUNITY DEVELOPMENT CORPORATION
January 2014

Purpose of the Succession Plan

The purpose of this Succession Plan is to set forth the steps and considerations necessary to enable NACDC to successfully navigate the waters of searching for, employing, and transitioning to a new chief executive officer. This is important because the organization has a history of having a long-term Executive Director and has recent experience in working through this process.

Goal of the Succession Plan

The goal of the plan is to guide a process and offer help that will end up with the hiring of and transition to a new Executive Director to lead NACDC successfully into the future. With planning, the process can be positive.

Maintenance of the Succession Plan

Succession Plan notebooks are maintained by the President of the Board of Directors and the Executive Director. The Plan notebooks are reviewed and updated regularly.

Leadership Development

Developing leadership has always been an important mission goal of NACDC's Board of Directors. Leadership development opportunities provided to staff in the form of training, increasing responsibilities, and opportunities for growth will result in strong managers, affordable housing practitioners, and executives. This will be important to NACDC throughout the executive transition, and this approach benefits the affordable housing industry whether personnel stay in service to NACDC or move on elsewhere.

Who Guides the Process?

The search, hiring, and transition process to a new chief executive officer is the responsibility of the Board of Directors. The Board is charged with the hiring, evaluation, monitoring, and oversight of the chief executive officer, who in turn, has that same responsibility for the balance of paid staff. Paid staff may be assigned duties related to the Succession Plan as may be necessary.

Responsibility to Inform

It is the Executive Director's responsibility to inform the President and Officers of the Board of Directors should he/she be planning to leave or retire. Should there be an emergency situation that causes the Succession Plan to be considered, a Management Team or Project Leader member, should immediately inform the President and Officers of the Board of Directors of the emergency situation.

Some Pitfalls to Avoid and Sound Strategies to Embrace

- Rushing into a decision without doing all the necessary due diligence could result in the selection of a person not suitably qualified or issues that could compromise the organization. Time taken to work through a detailed process is an important investment into the organization.
- Limiting the search to traditional media such as local newspapers may not yield a suitable number of applicants for consideration or may not yield the breadth of experience necessary for a regional organization. Consider networks collaborated with, professional websites, and a more regional or even national search. Hiring an executive search company could also be considered.
- Hiring an Executive, but not taking time to properly orient and introduce him/her to the organization's stakeholders could limit the potential for success. Don't forget to build executive orientation to the organization into the search process as well as opportunities to introduce the new executive to stakeholders.
- It is important to not become paralyzed by process or loss. This could delay what is typically necessary -- a prompt and enthusiastic start to the search so that potential applicants can learn of the opening and respond.

What Types of Scenarios Require Succession Planning?

1. Short-Term Leave Scenario

When the current Executive Director is on a leave of absence for a sabbatical, medical, or short-term disability, but is expected to return. In this case the Executive Director is expected to return after a period of time, typically no longer than 6-12 months.

Goal: The Board of Directors must approve a sabbatical or medical leave. The Executive Director should develop a staffing plan for the absence period that includes a recommendation for staffing. This plan would typically place the lead Project Director in charge of day-to-day operations carrying out the organization's current operational plan and budget, for which a salary increase or incentive would be negotiated. If the medical leave is emergency in nature, the same action is necessary, to assure the current operational plan and budget is carried out.

2. Permanently Leaving Scenario – Replacement Necessary

- a. When the current Executive Director resigns or leaves with minimal notice, insufficient for an orderly search, hiring, and transition to a new chief executive officer. This could also take place if after a medical leave of absence, it is determined that the Executive Director will not be able to return to his/her duties. (Unplanned Scenario)

Goal: It is important to put into place a staffing plan which would typically place the Project Director in charge of day-to-day operations and the carrying out of the organization's current operational plan and budget for an interim basis until a new chief executive officer can be hired and transitioned to NACDC. During the interim, the Project Director, Acting as Executive Director, should receive a salary increase or incentive.

- b. When the current Executive Director gives extended notice of his/her intention to resign or retire, sufficient enough to allow a well planned search, hiring, and transition process to a new chief executive officer. (Planned Scenario)

Goal: It is important to undertake succession steps for transition to a new Executive Director while the current Executive Director completes his/her tenure and carries out the organization's operational plan and budget.

Board of Director's Communication with the Current Executive Director

It is important for the Board of Directors to have a good working relationship and communication with the current Executive Director. The Board should request that the current chief executive officer provide as much advance notice as absolutely possible should he/she decide to leave or retire from NACDC. The extended notice is reasonable given the rigors and responsibility of the position. It is thought that extended notice that allows for a well planned search, hiring, and transition is typically best for the organization. The Board of Directors should recognize this type of preferred transition with recognition and compensation

Important Tools That Should be into Place

1. Current, up-to-date Position Description for Executive Director.
2. List of duties of the current Executive Director.
3. If Key Person Insurance exists, contact company and seek coverage payment to help fund succession process.

The Succession Process for a Short-Term Leave Scenario

The sabbatical, short-term medical or emergency leave is not designed to transition to a new Executive Director, rather the goal is for the Executive Director to come back and run the organization. During his/her absence, which must be approved by the Board of Directors, typically the second in charge, the Deputy Director, will be in charge of day-to-day operations and the carrying out of the organization's current operational plan and budget, and may be compensated for additional duties. Should a medical or emergency leave circumstance grow into

a situation whereby the Executive Director cannot return to the position, then the scenario moves to the one requiring a permanent replacement.

The Succession Process for a Permanently Leaving Scenario

1. Initial Board assessment of situation (week 1)
 - When is current ED leaving?
 - How much time exists for the succession process?
 - Is this a planned or emergency situation?
 - Is there likely to be a need for an interim director?
2. Assessment of attributes needed for the position – full Board (week 2)
 - Review current position description and list of tasks
 - Have Board list their hopes and expectations for the position, taking time for some introspection
 - Update the current position description as necessary
 - Establish initial thoughts on salary/benefit package
 - Prepare draft advertisement and organizational background piece
3. Initial Board action necessary – full Board (week 2)
 - Appoint or establish a Search Committee
 - Confirm with current Executive Director the time available for the process.
 - Stabilize daily operations
 - Talk to interim, agree on salary or incentive, and name as Interim Director, if appropriate
 - Discuss and establish a budget and financial needs for the search process
4. Deal with the departing Executive Director (week 2)
 - The Board of Director's allegiance is to the organization
 - It is important to extract as much information as possible from the departing executive
 - The departing executive will have perhaps more information than anyone about how the organization is functioning as well as the broadest contacts with stakeholders
 - It is important to discuss how to publicly portray or announce the executive's departure
 - Finally, it is important to be gracious to an executive who has served the organization well and offer appropriate recognition
5. Assure existing employees may apply and compete for position – Board Search Committee (weeks 3-4)
 - Notify existing employees that they may apply for the open position
 - Indicate a process to apply that is consistent for applicants from outside the organization
6. Decide on a full search process – Board Search Committee (weeks 3-4)
 - List networks to use to advertise position: NAB; Tribal communities; local, state, & national media; social media
 - Consider a list of stakeholders to send letters to about open position

- Prepare final position advertisement and organizational description for appropriate websites such as www.careerbuilders.com, etc.
 - Determine whether to contract with an employment agency
 - Seek proposals from employment agencies and compare terms, success rate, check references, make decision
7. Begin search and recruitment – Board Search Committee (weeks 4-5)
- Publicize in networks, with stakeholders, etc.
 - Advertise in state and regional newspapers
 - Sign contract with employment agency and begin search
 - Inform applicants of what they should provide: letter of interest, application, resume, salary requirement, references, etc.
 - Establish process for reviewing candidates promptly (who reviews and how consensus is to be reached on which candidates to interview)
 - Establish ranking/decision criteria to be used, such as candidate's positions, education, success, employee and budget size at previous positions, etc.
 - Assess progress regularly
8. Process for assessing all candidates – Board Search Committee
- Secure all information from candidate
 - Committee review and ranking to see if process goes further
 - Initial interview or conference call
 - Check references, Google their name, consider credit and criminal checks, and assure ability to be bonded
 - Determine second round of questions and conduct interview
 - If a match, negotiate tentative contract terms and issues
 - Establish a formal recommendation to the Board of Directors
9. Make recommendation to the Board of Directors – Board Search Committee
- Call a Board meeting
 - Summarize candidate's information
 - Introduce the candidate and provide some time to get to know one another
 - Provide an overview of the contract terms that have been agreed to
 - Work towards a consensus decision regarding the candidate
10. Action by the Board of Directors
- Work out any remaining issues
 - The full Board should vote on the Search Committee's recommendation
 - It is preferable to have a very high approval rate, typically a minimum of two-thirds or above approving
 - Introduce the confirmed executive to the staff
 - Begin discussion about next steps of orientation and introduction

Finalize the Succession Process

1. Documentation

- Document any agreements with Project Director to serve as Acting Director for an interim period
- Document the agreement with the current executive for his/her extended assistance through the succession process
- Document the hiring agreement, compensation, and benefits in the new executive's personnel file
- Determine when the confirmed Executive Director will be able to begin work. (Is there a move to make or a home to sell?)

2. Orientation

- Develop an Orientation Plan to help the Executive Director get to know the organization, Board of Directors, and staff
- Provide confirmed Executive Director with internal documents, reports, and any information that may be requested or needed to help with the transfer
- Arrange for regular orientation meetings with long-term Board members and Management level staff

3. Marketing

- List a number of ways to promote the hiring through press releases and articles in local newspapers, organization's newsletter, letter of introduction, etc.
- Host an "Open House" to introduce the new Executive Director to stakeholders.

4. Oversee Work

- Establish a six to twelve month probationary period for the new Executive Director
- Establish work plan with appropriate deliverables such as written reports, stakeholders to meet with, financial status, operational plan progress, etc.
- Require sufficient face-to-face interaction between the Executive Director and the Board of Directors and opportunity for feedback during the probationary period, by which to measure performance
- Establish a regular evaluation process, preferably at the 3, 6, 9, and 12 month intervals for the first year

Attachment Examples:

1. Position Description
2. List of Duties
3. Sample advertisement
4. List of illegal or inappropriate interview questions
5. Sample screening template for applicant's job history
6. Sample Reference check template

SUCCESSION PLANNING GRID FOR MANAGEMENT POSITIONS

Native American Community Development Corporation

Position	Advertise? Where?	Accept Internal Applications?	Interim Responsibilities	Hiring Decision to Be Made By?	Key Experience and Attributes to Search For
Executive Director	yes/national NAB; Indian Country Today Social media	Yes	Oversee day-to-day operations Direct, coordinate NACDC programs in conjunction with Board of Directors	Board of Directors	Experience working in Indian communities; Fundraising; ability to supervise and work with key tribal community leaders
Program Operations Manager	yes/regional OFN; NAB social media ICT	Yes	work with ED to monitor general operations assistance from CPA	ED and Board	Full-charge bookkeeping, fund accounting software, indirect costs, financial reporting and management
Loan Fund Director	yes/national (OFN, CDFI, Social media Stakeholders)	yes	Loan Fund Manager ED work with committee, investors, capitalization	ED with some Loan Fund Com. involve- ment	Community development lending. capitalization, underwriting, risk rating, affordable housing and community based facilities

General Succession Aspects:

- ED will oversee process and establish salary range.
- A minimum of a Bachelors Degree would be expected
- A minimum of 5 years of applicable experience would be expected
- Interviews and ranking by ED and a second management level employee
- Verification of education and employment, and references
- Executive Director selection may involve Executive Committee and Loan Fund Director may involve Loan Fund Committee



FIRST AMERICAN CAPITAL CORPORATION

First American Capital Corp. (FACC) SUCCESSION PLAN

Introduction

The First American Capital Corporation (**FACC**) Board of Directors and its management team have developed this succession plan (the “Plan”) to identify the key positions in the Corp. and to formalize the steps we will take in the event there is a vacancy in a key position. A vacancy in a key position could occur in any number of ways, including, but not limited to; retirement, death, medical leave, termination, resignation, voluntarily leaving FACC, promotion or move to another position in the organization. The FACC is a state-wide Revolving Loan Fund (RLF) with three full time employees (3 FTE) which may have more inherent business risk because of its smaller staff size. Therefore, developing a process to help guide us through a vacancy was a primary reason for this plan.

Objectives

The objectives of this plan are as follows;

- Assign responsibility for Succession Planning
- Identify key positions in FACC.
- Establish an emergency plan for any short term vacancies in the key positions
- Explain how we will assign duties to others to ensure smooth and continuous operations of FACC in the event of any sudden changes in key management positions
- Create cross participation in various committees and functions within FACC so that talent is further developed
- Create a culture that develops individuals for future leadership roles
- Connect Succession Planning to goals and objectives in our Strategic Plan

It is the responsibility of management to review this plan with the Board of Directors at least once annually.

Key Positions in the Organization

We have analyzed the size of the staff from a financial perspective and have determined that we have qualified personnel and that our salary costs are in line with RLF’s of similar size (please reference the separate Staffing Plan document). The fact is our current revenue streams can only support a certain amount of employee related expenses. Being a small RLF, our staff has to multi-task, and carry more responsibilities per person compared to larger organizations. Each person carries a significant amount of area-specific knowledge and if a key

person leaves the company, there could be a significant disruption to our business. That being said, cross-training, along with procedural manuals are done as much as possible. We understand that a business of any type that contemplates changes, identifies key positions, and establishes paths to manage transitions will fare better when and if a change occurs.

The most recent Organization chart is attached. In short, our company is organized into three main areas:

FACC Board of Directors

Board President	Jeff Bowman	Loans Admin Advisor/Loan Cmte
Board Vice President (VP)	William Beson	Loan Committee
Board Treasurer	Dave Wileford	
Board Secretary	Art Olszewski	
Board Attorney	John Swimmer	Legal
Member	Terry Williamson	Loan Committee
AICCW President	Craig Anderson	

Loan Committee

Jeff Bowman	Advisor/ Loan Cmte	Bay Bank President
William Beson	Loan Committee	CEO/LDF Development
Terry Williamson	Loan Committee	Retired Pres. /Green Lake Bank
David Kircher	Loan Committee	Exec. VP/WBD

FACC Staff

Executive Director	Craig Anderson	Day-to-Day Operations/Loan Officer
Project Mgr/Compliance	Gary Mejchar	Grants/Compliance/Projects
Office Mgr/Book Keeper	Bev Anderson	Office Mgr/Book Keeper
Outside Service Team		
Accounting Interns		Support Function Duties vary

FACC Board President – is President of Bay Bank and is a key position because that person is ultimately responsible for overseeing direction for FACC and is knowledgeable in every area of FACC. The FACC By Laws provide guidance on replacing FACC Board officers and members.

The FACC Board President is 50 years old and plans to work for another 15 years. This should provide FACC with some continuity in management. Jeff Bowman has over 30 years of banking experience with most of those years in commercial lending positions. This is a good fit for FACC because commercial lending is a large percentage of our loan portfolio. In our Strategic Plan we identified small business lending as a key area of business both now and in the future.

In the event there is a vacancy in the **Executive Directors** position, we can mitigate the business risk in several ways:

- STEP 1 – Assign the loans in the loan portfolio to Jeff Bowman of Bay Bank and/or Dave Kircher of WBD, at least on a temporary basis if Executive Director is gone.
- STEP 2 – Distribute the management duties of the Executive Director to the Board President and designees.
- STEP 3 - Utilize a Board member that has the banking experience to help operate and oversee the FACC on a day to day basis until a replacement is identified. FACC is fortunate to have a retired Bank President on its Board and he could assist FACC on a short term basis.
- STEP 4 – The Board will determine if there is an internal candidate that is qualified to be the Executive Director.
- STEP 5 – The Board will consider hiring a recruiter to search for a new Director. We think this can be an effective method to retain a qualified individual.
- STEP 6 – Hire the replacement.

We think the management team, with some additional Board involvement, can safely operate FACC for up to 180 days without a full time Director;

Long Term Strategy - FACC was designed and built with strategic team efforts of Indian Country Business and Banking leaders knowledgeable and engaged in all aspects of FACC operations:

Jeff Bowman- (Stockbridge-Munsee) is the Bank President of Bay Bank (Oneida owned) with over thirty years of banking experience.

Craig Anderson- (Oyate) Businessman with over thirty years experience and founder of the American Indian Chamber of Commerce of WI in 1991 and its Board president.

Terry Williamson – (LCO) Retired Bank President of Green Lake Bank

David Kircher- Executive VP of Wisconsin Business Development (WBD) State-wide 7a, 504 Underwriters & Lenders, WBD also owns a local community RLF called Lincoln Opportunity Fund.

William Beson – (LDF) 20 years as a Manufacturer CEO and current CEO of LDF Development, Bill has a strong accounting background and experience in the construction industry.

Replacement of all other key FACC personnel:

- STEP 1 – The Executive Director - with guidance from the FACC President - will assume responsibility for hiring the replacement, with input from the Board as needed.
- STEP 2 – The President will consider whether any further reorganization needs to take place, such as, would any of the duties be permanently assigned to another area of the RLF operation.
- STEP 3 – Internal candidates will be identified and considered first.
- STEP 4 – The President and the Board will consider hiring a recruiter to search for a replacement.
- STEP 5 – Hire the replacement.

Cross Training and Cross Participation

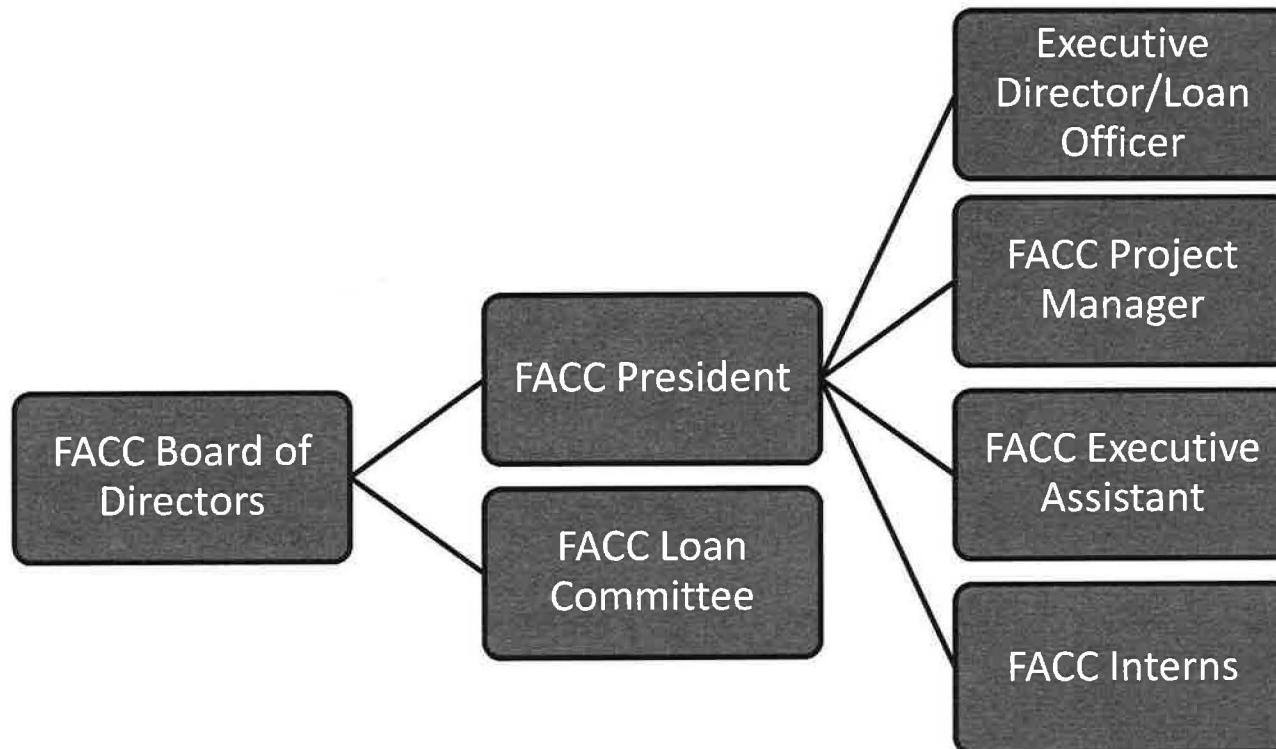
FACC has improved its internal Policies & Procedures in the past years. This helps us reduce and better manage various business risks. The benefit is that we build 'institutional' knowledge across the various levels of FACC operations. The other benefit is that we increase knowledge among the key employees as well, so in the event we have to deal with a short term or unexpected vacancy, we have other team members that can assume additional responsibilities and actually have some knowledge of various functional areas and know what to do.

We need to continue developing our team with these experiences. It benefits FACC almost immediately by increasing employee knowledge, it increases morale and involvement, and it should reduce business risk when we have a short term vacancy because others can step in and take on additional responsibilities when necessary.

Summary

Being a small RLF, FACC has limited personnel to cross train, but we have a broad pool of knowledgeable Native business professionals serving in various Board and committee positions committed to the mission and operations of FACC. Being a small RLF offers the opportunity for employees to grow, be students of the industry, and be groomed for future positions they would like to attain. With this Succession Planning guidance FACC is positioned to manage both expected and unexpected change in a professional manner with minimal operational disruptions.

First American Capital Corporation, Inc (FACC) 2014 Organizational Chart



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2012 CDFI Compensation and Benefits Survey Report

Category: CDFI Industry**\$300.00****Delivery Type:**
 This product is available as an electronic download only.
[ADD TO CART](#)[BUY NOW](#)**Description:**

This is the first comprehensive examination of CDFI industry compensation and benefits since OFN published its 2006 CDFI Compensation Report. More than 150 CDFIs from across the country participated in the survey. This new report is an invaluable resource that can help CDFIs recruit, reward, and retain high-quality employees. For the many CDFIs that are in expansion mode, the report may be helpful in setting compensation levels for new positions.

The 2012 CDFI Compensation and Benefits Survey Report includes summary data for:

-  Compensation and benefits information for thirteen executive and staff positions
-  Compensation data for the "top five" compensated positions
-  A comprehensive view of CDFI benefits practice.
-  For the Chief Executive Officer, Chief Financial Officer, Top Communications and Marketing Executive, Top Development Executive, and the Top Five Highest Paid employees we have also provided data from a special analysis of thirty-six general not-for-profit organizations for reference purposes.

[View the Table of Contents](#)[View the Overview of the Report](#)[View the Job Descriptions](#)

There are Member and participant discounts available – email jfox@opportunityfinance.net for a discount code before you order.

TAB 8

CREATING A LEADERSHIP WORKPLAN

Creating a Leadership Workplan

Take a few moments to pull together what we have discussed today, to jot down concepts that struck you, and areas of your leadership that you want to focus on and strengthen (feel free to refer to your “leadership vision”)

	Ah-hah moments?	Is there an area you want to focus on?	What are some next steps?
Traditional Leadership Qualities and Practices			
Leadership Goals			
Leadership Challenges			
Succession Planning Strategies			

TAB 9

SELECTED ARTICLE ON LEADERSHIP

Leadership That Gets Results

by Daniel Goleman

Included with this full-text *Harvard Business Review* article:

- 1 [Article Summary](#)
The Idea in Brief—*the core idea*
The Idea in Practice—*putting the idea to work*
- 2 [Leadership That Gets Results](#)
- 15 [Further Reading](#)
A list of related materials, with annotations to guide further exploration of the article's ideas and applications

Leadership That Gets Results

The Idea in Brief

Many managers mistakenly assume that leadership style is a function of personality rather than strategic choice. Instead of choosing the one style that suits their temperament, they should ask which style best addresses the demands of a particular situation.

Research has shown that the most successful leaders have strengths in the following emotional intelligence competencies: **self-awareness, self-regulation, motivation, empathy, and social skill**. There are six basic styles of leadership; each makes use of the key components of emotional intelligence in different combinations. The best leaders don't know just one style of leadership—they're skilled at several, and have the flexibility to switch between styles as the circumstances dictate.

The Idea in Practice

Managers often fail to appreciate how profoundly the organizational climate can influence financial results. It can account for nearly a third of financial performance. Organizational climate, in turn, is influenced by leadership style—by the way that managers motivate direct reports, gather and use information, make decisions, manage change initiatives, and handle crises. There are six basic leadership styles. Each derives from different emotional intelligence competencies, works best in particular situations, and affects the organizational climate in different ways.

1. The coercive style. This “Do what I say” approach can be very effective in a turnaround situation, a natural disaster, or when working with problem employees. But in most situations, coercive leadership inhibits the organization's flexibility and dampens employees' motivation.

2. The authoritative style. An authoritative leader takes a “Come with me” approach: she states the overall goal but gives people the freedom to choose their own means of achieving it. This style works especially well when a business is adrift. It is less effective when the leader is working with a team of experts who are more experienced than he is.

3. The affiliative style. The hallmark of the affiliative leader is a “People come first” attitude. This style is particularly useful for building team harmony or increasing morale. But its exclusive focus on praise can allow poor performance to go uncorrected. Also, affiliative leaders rarely offer advice, which often leaves employees in a quandary.

4. The democratic style. This style's impact on organizational climate is not as high as you might imagine. By giving workers a voice in decisions, democratic leaders build organizational flexibility and responsibility and help generate fresh ideas. But sometimes the price is endless meetings and confused employees who feel leaderless.

5. The pacesetter style. A leader who sets high performance standards and exemplifies them himself has a very positive impact on employees who are self-motivated and highly competent. But other employees tend to feel overwhelmed by such a leader's demands for excellence—and to resent his tendency to take over a situation.

6. The coaching style. This style focuses more on personal development than on immediate work-related tasks. It works well when employees are already aware of their weaknesses and want to improve, but not when they are resistant to changing their ways.

The more styles a leader has mastered, the better. In particular, being able to switch among the authoritative, affiliative, democratic, and coaching styles as conditions dictate creates the best organizational climate and optimizes business performance.

New research suggests that the most effective executives use a collection of distinct leadership styles—each in the right measure, at just the right time. Such flexibility is tough to put into action, but it pays off in performance. And better yet, it can be learned.

Leadership That Gets Results

by Daniel Goleman

Ask any group of businesspeople the question “What do effective leaders do?” and you’ll hear a sweep of answers. Leaders set strategy; they motivate; they create a mission; they build a culture. Then ask “What *should* leaders do?” If the group is seasoned, you’ll likely hear one response: the leader’s singular job is to get results.

But how? The mystery of what leaders can and ought to do in order to spark the best performance from their people is age-old. In recent years, that mystery has spawned an entire cottage industry: literally thousands of “leadership experts” have made careers of testing and coaching executives, all in pursuit of creating businesspeople who can turn bold objectives—be they strategic, financial, organizational, or all three—into reality.

Still, effective leadership eludes many people and organizations. One reason is that until recently, virtually no quantitative research has demonstrated which precise leadership behaviors yield positive results. Leadership experts proffer advice based on inference, ex-

perience, and instinct. Sometimes that advice is which precise leadership behaviors yield positive results. Leadership experts proffer advice based on inference, experience, and instinct. Sometimes that advice is right on target; sometimes it’s not.

But new research by the consulting firm Hay/McBer, which draws on a random sample of 3,871 executives selected from a database of more than 20,000 executives worldwide, takes much of the mystery out of effective leadership. The research found six distinct leadership styles, each springing from different components of emotional intelligence. The styles, taken individually, appear to have a direct and unique impact on the working atmosphere of a company, division, or team, and in turn, on its financial performance. And perhaps most important, the research indicates that leaders with the best results do not rely on only one leadership style; they use most of them in a given week—seamlessly and in different measure—depending on the business situation. Imagine the styles, then, as

the array of clubs in a golf pro's bag. Over the course of a game, the pro picks and chooses clubs based on the demands of the shot. Sometimes he has to ponder his selection, but usually it is automatic. The pro senses the challenge ahead, swiftly pulls out the right tool, and elegantly puts it to work. That's how high-impact leaders operate, too.

What are the six styles of leadership? None will shock workplace veterans. Indeed, each style, by name and brief description alone, will likely resonate with anyone who leads, is led, or as is the case with most of us, does both. *Coercive leaders* demand immediate compliance. *Authoritative leaders* mobilize people toward a vision. *Affiliative leaders* create emotional bonds and harmony. *Democratic leaders* build consensus through participation. *Pacesetter leaders* expect excellence and self-direction. And *coaching leaders* develop people for the future.

Close your eyes and you can surely imagine a colleague who uses any one of these styles. You most likely use at least one yourself. What is new in this research, then, is its implications for action. First, it offers a fine-grained understanding of how different leadership styles affect performance and results. Second, it offers clear guidance on when a manager should switch between them. It also strongly suggests that switching flexibly is well advised. New, too, is the research's finding that each leadership style springs from different components of emotional intelligence.

Measuring Leadership's Impact

It has been more than a decade since research first linked aspects of emotional intelligence to business results. The late David McClelland, a noted Harvard University psychologist, found that leaders with strengths in a critical mass of six or more emotional intelligence competencies were far more effective than peers who lacked such strengths. For instance, when he analyzed the performance of division heads at a global food and beverage company, he found that among leaders with this critical mass of competence, 87% placed in the top third for annual salary bonuses based on their business performance. More telling, their divisions on average outperformed yearly revenue targets by 15% to 20%. Those executives who lacked emotional intelligence were rarely rated as outstanding in their annual perfor-

mance reviews, and their divisions underperformed by an average of almost 20%.

Our research set out to gain a more molecular view of the links among leadership and emotional intelligence, and climate and performance. A team of McClelland's colleagues headed by Mary Fontaine and Ruth Jacobs from Hay/McBer studied data about or observed thousands of executives, noting specific behaviors and their impact on climate.¹ How did each individual motivate direct reports? Manage change initiatives? Handle crises? It was in a later phase of the research that we identified which emotional intelligence capabilities drive the six leadership styles. How does he rate in terms of self-control and social skill? Does a leader show high or low levels of empathy?

The team tested each executive's immediate sphere of influence for its climate. "Climate" is not an amorphous term. First defined by psychologists George Litwin and Richard Stringer and later refined by McClelland and his colleagues, it refers to six key factors that influence an organization's working environment: its *flexibility*—that is, how free employees feel to innovate unencumbered by red tape; their sense of *responsibility* to the organization; the level of *standards* that people set; the sense of accuracy about performance feedback and aptness of *rewards*; the *clarity* people have about mission and values; and finally, the level of *commitment* to a common purpose.

We found that all six leadership styles have a measurable effect on each aspect of climate. (For details, see the exhibit "Getting Molecular: The Impact of Leadership Styles on Drivers of Climate.") Further, when we looked at the impact of climate on financial results—such as return on sales, revenue growth, efficiency, and profitability—we found a direct correlation between the two. Leaders who used styles that positively affected the climate had decidedly better financial results than those who did not. That is not to say that organizational climate is the only driver of performance. Economic conditions and competitive dynamics matter enormously. But our analysis strongly suggests that climate accounts for nearly a third of results. And that's simply too much of an impact to ignore.

The Styles in Detail

Executives use six leadership styles, but only

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four of the six consistently have a positive effect on climate and results. Let's look then at each style of leadership in detail. (For a summary of the material that follows, see the chart "The Six Leadership Styles at a Glance.")

The Coercive Style. The computer company was in crisis mode—its sales and profits were falling, its stock was losing value precipitously, and its shareholders were in an uproar. The board brought in a new CEO with a reputation as a turnaround artist. He set to work chopping jobs, selling off divisions, and making the tough decisions that should have been executed years before. The company was saved, at least in the short-term.

From the start, though, the CEO created a reign of terror, bullying and demeaning his executives, roaring his displeasure at the slightest misstep. The company's top echelons were decimated not just by his erratic firings but also by defections. The CEO's direct reports, frightened by his tendency to blame the bearer of bad news, stopped bringing him any news at all. Morale was at an all-time low—a fact reflected in another downturn in the business

after the short-term recovery. The CEO was eventually fired by the board of directors.

It's easy to understand why of all the leadership styles, the coercive one is the least effective in most situations. Consider what the style does to an organization's climate. Flexibility is the hardest hit. The leader's extreme top-down decision making kills new ideas on the vine. People feel so disrespected that they think, "I won't even bring my ideas up—they'll only be shot down." Likewise, people's sense of responsibility evaporates: unable to act on their own initiative, they lose their sense of ownership and feel little accountability for their performance. Some become so resentful they adopt the attitude, "I'm not going to help this bastard."

Coercive leadership also has a damaging effect on the rewards system. Most high-performing workers are motivated by more than money—they seek the satisfaction of work well done. The coercive style erodes such pride. And finally, the style undermines one of the leader's prime tools—motivating people by showing them how their job fits

Emotional Intelligence: A Primer

Emotional intelligence—the ability to manage ourselves and our relationships effectively—consists of four fundamental capabilities: self-awareness, self-management, social awareness, and social skill. Each capability, in turn, is composed of specific sets of competencies. Below is a list of the capabilities and their corresponding traits.

Self-Awareness

- *Emotional self-awareness*: the ability to read and understand your emotions as well as recognize their impact on work performance, relationships, and the like.
- *Accurate self-assessment*: a realistic evaluation of your strengths and limitations.
- *Self-confidence*: a strong and positive sense of self-worth.

Self-Management

- *Self-control*: the ability to keep disruptive emotions and impulses under control.
- *Trustworthiness*: a consistent display of honesty and integrity.
- *Conscientiousness*: the ability to manage yourself and your responsibilities.
- *Adaptability*: skill at adjusting to changing situations and overcoming obstacles.
- *Achievement orientation*: the drive to meet an internal standard of excellence.
- *Initiative*: a readiness to seize opportunities.

Social Awareness

- *Empathy*: skill at sensing other people's emotions, understanding their perspective, and taking an active interest in their concerns.
- *Organizational awareness*: the ability to read the currents of organizational life, build decision networks, and navigate politics.
- *Service orientation*: the ability to recognize and meet customers' needs.

Social Skill

- *Visionary leadership*: the ability to take charge and inspire with a compelling vision.
- *Influence*: the ability to wield a range of persuasive tactics.
- *Developing others*: the propensity to bolster the abilities of others through feedback and guidance.
- *Communication*: skill at listening and at sending clear, convincing, and well-tuned messages.
- *Change catalyst*: proficiency in initiating new ideas and leading people in a new direction.
- *Conflict management*: the ability to de-escalate disagreements and orchestrate resolutions.
- *Building bonds*: proficiency at cultivating and maintaining a web of relationships.
- *Teamwork and collaboration*: competence at promoting cooperation and building teams.

into a grand, shared mission. Such a loss, measured in terms of diminished clarity and commitment, leaves people alienated from their own jobs, wondering, “How does any of this matter?”

Given the impact of the coercive style, you might assume it should never be applied. Our research, however, uncovered a few occasions when it worked masterfully. Take the case of a division president who was brought in to change the direction of a food company that was losing money. His first act was to have the executive conference room demolished. To him, the room—with its long marble table that looked like “the deck of the Starship Enterprise”—symbolized the tradition-bound formality that was paralyzing the company. The destruction of the room, and the subsequent move to a smaller, more informal setting, sent a message no one could miss, and the division’s culture changed quickly in its wake.

That said, the coercive style should be used only with extreme caution and in the few situations when it is absolutely imperative, such as

during a turnaround or when a hostile takeover is looming. In those cases, the coercive style can break failed business habits and shock people into new ways of working. It is always appropriate during a genuine emergency, like in the aftermath of an earthquake or a fire. And it can work with problem employees with whom all else has failed. But if a leader relies solely on this style or continues to use it once the emergency passes, the long-term impact of his insensitivity to the morale and feelings of those he leads will be ruinous.

The Authoritative Style. Tom was the vice president of marketing at a floundering national restaurant chain that specialized in pizza. Needless to say, the company’s poor performance troubled the senior managers, but they were at a loss for what to do. Every Monday, they met to review recent sales, struggling to come up with fixes. To Tom, the approach didn’t make sense. “We were always trying to figure out why our sales were down last week. We had the whole company looking backward instead of figuring out

Getting Molecular: The Impact of Leadership Styles on Drivers of Climate

Our research investigated how each leadership style affected the six drivers of climate, or working atmosphere. The figures below show the correlation between each leadership style and each aspect of climate. So, for instance, if we look at the climate driver of flexibility, we see that the coercive style has a $-.28$ correlation while the democratic style has a $.28$ correlation, equally strong in the opposite direction. Focusing on the authoritative leadership style, we find that it has a $.54$ correlation with rewards—strongly positive—and a $.21$ correlation with responsibility—positive, but not as strong. In other words, the style’s

correlation with rewards was more than twice that with responsibility.

According to the data, the authoritative leadership style has the most positive effect on climate, but three others—affiliative, democratic, and coaching—follow close behind. That said, the research indicates that no style should be relied on exclusively, and all have at least short-term uses.

	Coercive	Authoritative	Affiliative	Democratic	Pacesetting	Coaching
Flexibility	$-.28$	$.32$	$.27$	$.28$	$-.07$	$.17$
Responsibility	$-.37$	$.21$	$.16$	$.23$	$.04$	$.08$
Standards	$.02$	$.38$	$.31$	$.22$	$-.27$	$.39$
Rewards	$-.18$	$.54$	$.48$	$.42$	$-.29$	$.43$
Clarity	$-.11$	$.44$	$.37$	$.35$	$-.28$	$.38$
Commitment	$-.13$	$.35$	$.34$	$.26$	$-.20$	$.27$
Overall impact on climate	$-.26$	$.54$	$.46$	$.43$	$-.25$	$.42$

what we had to do tomorrow.”

Tom saw an opportunity to change people’s way of thinking at an off-site strategy meeting. There, the conversation began with stale truisms: the company had to drive up shareholder wealth and increase return on assets. Tom believed those concepts didn’t have the power to inspire a restaurant manager to be innovative or to do better than a good-enough job.

So Tom made a bold move. In the middle of a meeting, he made an impassioned plea for his colleagues to think from the customer’s perspective. Customers want convenience, he said. The company was not in the restaurant business, it was in the business of distributing high-quality, convenient-to-get pizza. That notion—and nothing else—should drive everything the company did.

With his vibrant enthusiasm and clear vision—the hallmarks of the authoritative style—Tom filled a leadership vacuum at the company. Indeed, his concept became the core of the new mission statement. But this conceptual breakthrough was just the beginning. Tom made sure that the mission statement was built into the company’s strategic planning process as the designated driver of growth. And he ensured that the vision was articulated so that local restaurant managers understood they were the key to the company’s success and were free to find new ways to distribute pizza.

Changes came quickly. Within weeks, many local managers started guaranteeing fast, new delivery times. Even better, they started to act like entrepreneurs, finding ingenious locations to open new branches: kiosks on busy street corners and in bus and train stations, even from carts in airports and hotel lobbies.

Tom’s success was no fluke. Our research indicates that of the six leadership styles, the authoritative one is most effective, driving up every aspect of climate. Take clarity. The authoritative leader is a visionary; he motivates people by making clear to them how their work fits into a larger vision for the organization. People who work for such leaders understand that what they do matters and why. Authoritative leadership also maximizes commitment to the organization’s goals and strategy. By framing the individual tasks within a grand vision, the authoritative leader defines standards that revolve around that vision. When he gives

performance feedback—whether positive or negative—the singular criterion is whether or not that performance furthers the vision. The standards for success are clear to all, as are the rewards. Finally, consider the style’s impact on flexibility. An authoritative leader states the end but generally gives people plenty of leeway to devise their own means. Authoritative leaders give people the freedom to innovate, experiment, and take calculated risks.

Because of its positive impact, the authoritative style works well in almost any business situation. But it is particularly effective when a business is adrift. An authoritative leader charts a new course and sells his people on a fresh long-term vision.

The authoritative style, powerful though it may be, will not work in every situation. The approach fails, for instance, when a leader is working with a team of experts or peers who are more experienced than he is; they may see the leader as pompous or out-of-touch. Another limitation: if a manager trying to be authoritative becomes overbearing, he can undermine the egalitarian spirit of an effective team. Yet even with such caveats, leaders would be wise to grab for the authoritative “club” more often than not. It may not guarantee a hole in one, but it certainly helps with the long drive.

The Affiliative Style. If the coercive leader demands, “Do what I say,” and the authoritative urges, “Come with me,” the affiliative leader says, “People come first.” This leadership style revolves around people—its proponents value individuals and their emotions more than tasks and goals. The affiliative leader strives to keep employees happy and to create harmony among them. He manages by building strong emotional bonds and then reaping the benefits of such an approach, namely fierce loyalty. The style also has a markedly positive effect on communication. People who like one another a lot talk a lot. They share ideas; they share inspiration. And the style drives up flexibility; friends trust one another, allowing habitual innovation and risk taking. Flexibility also rises because the affiliative leader, like a parent who adjusts household rules for a maturing adolescent, doesn’t impose unnecessary strictures on how employees get their work done. They give people the freedom to do their job in the way they

An authoritative leader states the end but gives people their own means.

think is most effective.

As for a sense of recognition and reward for work well done, the affiliative leader offers ample positive feedback. Such feedback has special potency in the workplace because it is all too rare: outside of an annual review, most people usually get no feedback on their day-to-day efforts—or only negative feedback. That makes the affiliative leader's positive words all the more motivating. Finally, affiliative leaders are masters at building a sense of belonging. They are, for instance, likely to take their direct reports out for a meal or a drink, one-on-one, to see how they're doing. They will bring in a cake to celebrate a group accomplishment. They are natural relationship builders.

Joe Torre, the heart and soul of the New York Yankees, is a classic affiliative leader. During the 1999 World Series, Torre tended ably to the psyches of his players as they endured the emotional pressure cooker of a pennant race. All season long, he made a special point to praise Scott Brosius, whose father had died during the season, for staying committed even as he mourned. At the celebration party after the team's final game, Torre specifically sought out right fielder Paul O'Neill. Although he had received the news of his father's death that morning, O'Neill chose to play in the decisive game—and he burst into tears the moment it ended. Torre made a point of acknowledging O'Neill's personal struggle, calling him a "warrior." Torre also used the spotlight of the vic-

tory celebration to praise two players whose return the following year was threatened by contract disputes. In doing so, he sent a clear message to the team and to the club's owner that he valued the players immensely—too much to lose them.

Along with ministering to the emotions of his people, an affiliative leader may also tend to his own emotions openly. The year Torre's brother was near death awaiting a heart transplant, he shared his worries with his players. He also spoke candidly with the team about his treatment for prostate cancer.

The affiliative style's generally positive impact makes it a good all-weather approach, but leaders should employ it particularly when trying to build team harmony, increase morale, improve communication, or repair broken trust. For instance, one executive in our study was hired to replace a ruthless team leader. The former leader had taken credit for his employees' work and had attempted to pit them against one another. His efforts ultimately failed, but the team he left behind was suspicious and weary. The new executive managed to mend the situation by unstintingly showing emotional honesty and rebuilding ties. Several months in, her leadership had created a renewed sense of commitment and energy.

Despite its benefits, the affiliative style should not be used alone. Its exclusive focus on praise can allow poor performance to go uncorrected; employees may perceive that

The Six Leadership Styles at a Glance

Our research found that leaders use six styles, each springing from different components of emotional intelligence. Here is a summary of the styles, their origin, when they work best, and their impact on an organization's climate and thus its performance.

	Coercive	Authoritative
The leader's modus operandi	Demands immediate compliance	Mobilizes people toward a vision
The style in a phrase	"Do what I tell you."	"Come with me."
Underlying emotional intelligence competencies	Drive to achieve, initiative, self-control	Self-confidence, empathy, change catalyst
When the style works best	In a crisis, to kick start a turnaround, or with problem employees	When changes require a new vision, or when a clear direction is needed
Overall impact on climate	Negative	Most strongly positive

mediocrity is tolerated. And because affiliative leaders rarely offer constructive advice on how to improve, employees must figure out how to do so on their own. When people need clear directives to navigate through complex challenges, the affiliative style leaves them rudderless. Indeed, if overly relied on, this style can actually steer a group to failure. Perhaps that is why many affiliative leaders, including Torre, use this style in close conjunction with the authoritative style. Authoritative leaders state a vision, set standards, and let people know how their work is furthering the group's goals. Alternate that with the caring, nurturing approach of the affiliative leader, and you have a potent combination.

The Democratic Style. Sister Mary ran a Catholic school system in a large metropolitan area. One of the schools—the only private school in an impoverished neighborhood—had been losing money for years, and the archdiocese could no longer afford to keep it open. When Sister Mary eventually got the order to shut it down, she didn't just lock the doors. She called a meeting of all the teachers and staff at the school and explained to them the details of the financial crisis—the first time anyone working at the school had been included in the business side of the institution. She asked for their ideas on ways to keep the school open and on how to handle the closing, should it come to that. Sister Mary spent

much of her time at the meeting just listening.

She did the same at later meetings for school parents and for the community and during a successive series of meetings for the school's teachers and staff. After two months of meetings, the consensus was clear: the school would have to close. A plan was made to transfer students to other schools in the Catholic system.

The final outcome was no different than if Sister Mary had gone ahead and closed the school the day she was told to. But by allowing the school's constituents to reach that decision collectively, Sister Mary received none of the backlash that would have accompanied such a move. People mourned the loss of the school, but they understood its inevitability. Virtually no one objected.

Compare that with the experiences of a priest in our research who headed another Catholic school. He, too, was told to shut it down. And he did—by fiat. The result was disastrous: parents filed lawsuits, teachers and parents picketed, and local newspapers ran editorials attacking his decision. It took a year to resolve the disputes before he could finally go ahead and close the school.

Sister Mary exemplifies the democratic style in action—and its benefits. By spending time getting people's ideas and buy-in, a leader builds trust, respect, and commitment. By letting workers themselves have a say in decisions that affect their goals and how they

Affiliative

Creates harmony and builds emotional bonds

"People come first."

Empathy, building relationships, communication

To heal rifts in a team or to motivate people during stressful circumstances

Positive

Democratic

Forges consensus through participation

"What do you think?"

Collaboration, team leadership, communication

To build buy-in or consensus, or to get input from valuable employees

Positive

Pacesetting

Sets high standards for performance

"Do as I do, now."

Conscientiousness, drive to achieve, initiative

To get quick results from a highly motivated and competent team

Negative

Coaching

Develops people for the future

"Try this."

Developing others, empathy, self-awareness

To help an employee improve performance or develop long-term strengths

Positive

do their work, the democratic leader drives up flexibility and responsibility. And by listening to employees' concerns, the democratic leader learns what to do to keep morale high. Finally, because they have a say in setting their goals and the standards for evaluating success, people operating in a democratic system tend to be very realistic about what can and cannot be accomplished.

However, the democratic style has its drawbacks, which is why its impact on climate is not as high as some of the other styles. One of its more exasperating consequences can be endless meetings where ideas are mulled over, consensus remains elusive, and the only visible result is scheduling more meetings. Some democratic leaders use the style to put off making crucial decisions, hoping that enough thrashing things out will eventually yield a blinding insight. In reality, their people end up feeling confused and leaderless. Such an approach can even escalate conflicts.

When does the style work best? This approach is ideal when a leader is himself uncertain about the best direction to take and needs ideas and guidance from able employees. And even if a leader has a strong vision, the democratic style works well to generate fresh ideas for executing that vision.

The democratic style, of course, makes much less sense when employees are not competent or informed enough to offer sound advice. And it almost goes without saying that building consensus is wrongheaded in times of crisis. Take the case of a CEO whose computer company was severely threatened by changes in the market. He always sought consensus about what to do. As competitors stole customers and customers' needs changed, he kept appointing committees to consider the situation. When the market made a sudden shift because of a new technology, the CEO froze in his tracks. The board replaced him before he could appoint yet another task force to consider the situation. The new CEO, while occasionally democratic and affiliative, relied heavily on the authoritative style, especially in his first months.

The Pacesetting Style. Like the coercive style, the pacesetting style has its place in the leader's repertory, but it should be used sparingly. That's not what we expected to find. After all, the hallmarks of the pacesetting style sound admirable. The leader sets extremely

high performance standards and exemplifies them himself. He is obsessive about doing things better and faster, and he asks the same of everyone around him. He quickly pinpoints poor performers and demands more from them. If they don't rise to the occasion, he replaces them with people who can. You would think such an approach would improve results, but it doesn't.

In fact, the pacesetting style destroys climate. Many employees feel overwhelmed by the pacesetter's demands for excellence, and their morale drops. Guidelines for working may be clear in the leader's head, but she does not state them clearly; she expects people to know what to do and even thinks, "If I have to tell you, you're the wrong person for the job." Work becomes not a matter of doing one's best along a clear course so much as second-guessing what the leader wants. At the same time, people often feel that the pacesetter doesn't trust them to work in their own way or to take initiative. Flexibility and responsibility evaporate; work becomes so task focused and routinized it's boring.

As for rewards, the pacesetter either gives no feedback on how people are doing or jumps in to take over when he thinks they're lagging. And if the leader should leave, people feel directionless—they're so used to "the expert" setting the rules. Finally, commitment dwindles under the regime of a pacesetting leader because people have no sense of how their personal efforts fit into the big picture.

For an example of the pacesetting style, take the case of Sam, a biochemist in R&D at a large pharmaceutical company. Sam's superb technical expertise made him an early star: he was the one everyone turned to when they needed help. Soon he was promoted to head of a team developing a new product. The other scientists on the team were as competent and self-motivated as Sam; his *métier* as team leader became offering himself as a model of how to do first-class scientific work under tremendous deadline pressure, pitching in when needed. His team completed its task in record time.

But then came a new assignment: Sam was put in charge of R&D for his entire division. As his tasks expanded and he had to articulate a vision, coordinate projects, delegate responsibility, and help develop others, Sam began to slip. Not trusting that his subordinates were as

capable as he was, he became a micromanager, obsessed with details and taking over for others when their performance slackened. Instead of trusting them to improve with guidance and development, Sam found himself working nights and weekends after stepping in to take over for the head of a floundering research team. Finally, his own boss suggested, to his relief, that he return to his old job as head of a product development team.

Although Sam faltered, the pacesetter style isn't always a disaster. The approach works well when all employees are self-motivated, highly competent, and need little direction or coordination—for example, it can work for leaders of highly skilled and self-motivated professionals, like R&D groups or legal teams. And, given a talented team to lead, pacesettering does exactly that: gets work done on time or even ahead of schedule. Yet like any leadership style, pacesettering should never be used by itself.

The Coaching Style. A product unit at a global computer company had seen sales plummet from twice as much as its competitors to only half as much. So Lawrence, the president of the manufacturing division, decided to close the unit and reassign its people and products. Upon hearing the news, James, the head of the doomed unit, decided to go over his boss's head and plead his case to the CEO.

What did Lawrence do? Instead of blowing up at James, he sat down with his rebellious direct report and talked over not just the decision to close the division but also James's future. He explained to James how moving to another division would help him develop new skills. It would make him a better leader and teach him more about the company's business.

Lawrence acted more like a counselor than a traditional boss. He listened to James's concerns and hopes, and he shared his own. He said he believed James had grown stale in his current job; it was, after all, the only place he'd worked in the company. He predicted that James would blossom in a new role.

The conversation then took a practical turn. James had not yet had his meeting with the CEO—the one he had impetuously demanded when he heard of his division's closing. Knowing this—and also knowing that the CEO unwaveringly supported the closing—Lawrence took the time to coach James on how to present his case in that meeting. “You don't get

an audience with the CEO very often,” he noted, “let's make sure you impress him with your thoughtfulness.” He advised James not to plead his personal case but to focus on the business unit: “If he thinks you're in there for your own glory, he'll throw you out faster than you walked through the door.” And he urged him to put his ideas in writing; the CEO always appreciated that.

Lawrence's reason for coaching instead of scolding? “James is a good guy, very talented and promising,” the executive explained to us, “and I don't want this to derail his career. I want him to stay with the company, I want him to work out, I want him to learn, I want him to benefit and grow. Just because he screwed up doesn't mean he's terrible.”

Lawrence's actions illustrate the coaching style par excellence. Coaching leaders help employees identify their unique strengths and weaknesses and tie them to their personal and career aspirations. They encourage employees to establish long-term development goals and help them conceptualize a plan for attaining them. They make agreements with their employees about their role and responsibilities in enacting development plans, and they give plentiful instruction and feedback. Coaching leaders excel at delegating; they give employees challenging assignments, even if that means the tasks won't be accomplished quickly. In other words, these leaders are willing to put up with short-term failure if it furthers long-term learning.

Of the six styles, our research found that the coaching style is used least often. Many leaders told us they don't have the time in this high-pressure economy for the slow and tedious work of teaching people and helping them grow. But after a first session, it takes little or no extra time. Leaders who ignore this style are passing up a powerful tool: its impact on climate and performance are markedly positive.

Admittedly, there is a paradox in coaching's positive effect on business performance because coaching focuses primarily on personal development, not on immediate work-related tasks. Even so, coaching improves results. The reason: it requires constant dialogue, and that dialogue has a way of pushing up every driver of climate. Take flexibility. When an employee knows his boss watches him and cares about what he does, he feels free to experiment.

Leaders who have mastered four or more—especially the authoritative, democratic, affiliative, and coaching styles—have the best climate and business performance.

After all, he's sure to get quick and constructive feedback. Similarly, the ongoing dialogue of coaching guarantees that people know what is expected of them and how their work fits into a larger vision or strategy. That affects responsibility and clarity. As for commitment, coaching helps there, too, because the style's implicit message is, "I believe in you, I'm investing in you, and I expect your best efforts." Employees very often rise to that challenge with their heart, mind, and soul.

The coaching style works well in many business situations, but it is perhaps most effective when people on the receiving end are "up for it." For instance, the coaching style works particularly well when employees are already aware of their weaknesses and would like to improve their performance. Similarly, the style works well when employees realize how cultivating new abilities can help them advance. In short, it works best with employees who want to be coached.

By contrast, the coaching style makes little sense when employees, for whatever reason, are resistant to learning or changing their ways. And it flops if the leader lacks the expertise to help the employee along. The fact is, many managers are unfamiliar with or simply inept at coaching, particularly when it comes to giving ongoing performance feedback that motivates rather than creates fear or apathy. Some companies have realized the positive impact of the style and are trying to make it a core competence. At some companies, a significant portion of annual bonuses are tied to an executive's development of his or her direct reports. But many organizations have yet to take full advantage of this leadership style. Although the coaching style may not scream "bottom-line results," it delivers them.

Leaders Need Many Styles

Many studies, including this one, have shown that the more styles a leader exhibits, the better. Leaders who have mastered four or more—especially the authoritative, democratic, affiliative, and coaching styles—have the very best climate and business performance. And the most effective leaders switch flexibly among the leadership styles as needed. Although that may sound daunting, we witnessed it more often than you might guess, at both large corporations and tiny start-ups, by seasoned veterans who could ex-

plain exactly how and why they lead and by entrepreneurs who claim to lead by gut alone.

Such leaders don't mechanically match their style to fit a checklist of situations—they are far more fluid. They are exquisitely sensitive to the impact they are having on others and seamlessly adjust their style to get the best results. These are leaders, for example, who can read in the first minutes of conversation that a talented but underperforming employee has been demoralized by an unsympathetic, do-it-the-way-I-tell-you manager and needs to be inspired through a reminder of why her work matters. Or that leader might choose to reenergize the employee by asking her about her dreams and aspirations and finding ways to make her job more challenging. Or that initial conversation might signal that the employee needs an ultimatum: improve or leave.

For an example of fluid leadership in action, consider Joan, the general manager of a major division at a global food and beverage company. Joan was appointed to her job while the division was in a deep crisis. It had not made its profit targets for six years; in the most recent year, it had missed by \$50 million. Morale among the top management team was miserable; mistrust and resentments were rampant. Joan's directive from above was clear: turn the division around.

Joan did so with a nimbleness in switching among leadership styles that is rare. From the start, she realized she had a short window to demonstrate effective leadership and to establish rapport and trust. She also knew that she urgently needed to be informed about what was not working, so her first task was to listen to key people.

Her first week on the job she had lunch and dinner meetings with each member of the management team. Joan sought to get each person's understanding of the current situation. But her focus was not so much on learning how each person diagnosed the problem as on getting to know each manager as a person. Here Joan employed the affiliative style: she explored their lives, dreams, and aspirations.

She also stepped into the coaching role, looking for ways she could help the team members achieve what they wanted in their careers. For instance, one manager who had been getting feedback that he was a poor team player confided his worries to her. He thought he was a good team member, but he was

plagued by persistent complaints. Recognizing that he was a talented executive and a valuable asset to the company, Joan made an agreement with him to point out (in private) when his actions undermined his goal of being seen as a team player.

She followed the one-on-one conversations with a three-day off-site meeting. Her goal here was team building, so that everyone would own whatever solution for the business problems emerged. Her initial stance at the off-site meeting was that of a democratic leader. She encouraged everyone to express freely their frustrations and complaints.

The next day, Joan had the group focus on solutions: each person made three specific proposals about what needed to be done. As Joan clustered the suggestions, a natural consensus emerged about priorities for the business, such as cutting costs. As the group came up with specific action plans, Joan got the commitment and buy-in she sought.

With that vision in place, Joan shifted into the authoritative style, assigning accountability for each follow-up step to specific executives and holding them responsible for their accomplishment. For example, the division had been dropping prices on products without increasing its volume. One obvious solution was to raise prices, but the previous VP of sales had dithered and had let the problem fester. The new VP of sales now had responsibility to adjust the price points to fix the problem.

Over the following months, Joan's main stance was authoritative. She continually articulated the group's new vision in a way that reminded each member of how his or her role was crucial to achieving these goals. And, especially during the first few weeks of the plan's implementation, Joan felt that the urgency of the business crisis justified an occasional shift into the coercive style should someone fail to meet his or her responsibility. As she put it, "I had to be brutal about this follow-up and make sure this stuff happened. It was going to take discipline and focus."

The results? Every aspect of climate improved. People were innovating. They were talking about the division's vision and crowing about their commitment to new, clear goals. The ultimate proof of Joan's fluid leadership style is written in black ink: after only seven months, her division exceeded its yearly profit target by \$5 million.

Expanding Your Repertory

Few leaders, of course, have all six styles in their repertory, and even fewer know when and how to use them. In fact, as we have brought the findings of our research into many organizations, the most common responses have been, "But I have only two of those!" and, "I can't use all those styles. It wouldn't be natural."

Such feelings are understandable, and in some cases, the antidote is relatively simple. The leader can build a team with members who employ styles she lacks. Take the case of a VP for manufacturing. She successfully ran a global factory system largely by using the affiliative style. She was on the road constantly, meeting with plant managers, attending to their pressing concerns, and letting them know how much she cared about them personally. She left the division's strategy—extreme efficiency—to a trusted lieutenant with a keen understanding of technology, and she delegated its performance standards to a colleague who was adept at the authoritative approach. She also had a pacesetter on her team who always visited the plants with her.

An alternative approach, and one I would recommend more, is for leaders to expand their own style repertoires. To do so, leaders must first understand which emotional intelligence competencies underlie the leadership styles they are lacking. They can then work assiduously to increase their quotient of them.

For instance, an affiliative leader has strengths in three emotional intelligence competencies: in empathy, in building relationships, and in communication. Empathy—sensing how people are feeling in the moment—allows the affiliative leader to respond to employees in a way that is highly congruent with that person's emotions, thus building rapport. The affiliative leader also displays a natural ease in forming new relationships, getting to know someone as a person, and cultivating a bond. Finally, the outstanding affiliative leader has mastered the art of interpersonal communication, particularly in saying just the right thing or making the apt symbolic gesture at just the right moment.

So if you are primarily a pacesetter leader who wants to be able to use the affiliative style more often, you would need to improve your level of empathy and, perhaps, your

skills at building relationships or communicating effectively. As another example, an authoritative leader who wants to add the democratic style to his repertory might need to work on the capabilities of collaboration and communication. Such advice about adding capabilities may seem simplistic—"Go change yourself"—but enhancing emotional intelligence is entirely possible with practice. (For more on how to improve emo-

tional intelligence, see the sidebar "Growing Your Emotional Intelligence.")

More Science, Less Art

Like parenthood, leadership will never be an exact science. But neither should it be a complete mystery to those who practice it. In recent years, research has helped parents understand the genetic, psychological, and behavioral components that affect their

Growing Your Emotional Intelligence

Unlike IQ, which is largely genetic—it changes little from childhood—the skills of emotional intelligence can be learned at any age. It's not easy, however. Growing your emotional intelligence takes practice and commitment. But the payoffs are well worth the investment.

Consider the case of a marketing director for a division of a global food company. Jack, as I'll call him, was a classic pacesetter: high-energy, always striving to find better ways to get things done, and too eager to step in and take over when, say, someone seemed about to miss a deadline. Worse, Jack was prone to pounce on anyone who didn't seem to meet his standards, flying off the handle if a person merely deviated from completing a job in the order Jack thought best.

Jack's leadership style had a predictably disastrous impact on climate and business results. After two years of stagnant performance, Jack's boss suggested he seek out a coach. Jack wasn't pleased but, realizing his own job was on the line, he complied.

The coach, an expert in teaching people how to increase their emotional intelligence, began with a 360-degree evaluation of Jack. A diagnosis from multiple viewpoints is essential in improving emotional intelligence because those who need the most help usually have blind spots. In fact, our research found that top-performing leaders overestimate their strengths on, at most, one emotional intelligence ability, whereas poor performers overrate themselves on four or more. Jack was not that far off, but he did rate himself more glowingly than his direct reports, who gave him especially low grades on emotional self-control and empathy.

Initially, Jack had some trouble accepting

the feedback data. But when his coach showed him how those weaknesses were tied to his inability to display leadership styles dependent on those competencies—especially the authoritative, affiliative, and coaching styles—Jack realized he had to improve if he wanted to advance in the company. Making such a connection is essential. The reason: improving emotional intelligence isn't done in a weekend or during a seminar—it takes diligent practice on the job, over several months. If people do not see the value of the change, they will not make that effort.

Once Jack zeroed in on areas for improvement and committed himself to making the effort, he and his coach worked up a plan to turn his day-to-day job into a learning laboratory. For instance, Jack discovered he was empathetic when things were calm, but in a crisis, he tuned out others. This tendency hampered his ability to listen to what people were telling him in the very moments he most needed to do so. Jack's plan required him to focus on his behavior during tough situations. As soon as he felt himself tensing up, his job was to immediately step back, let the other person speak, and then ask clarifying questions. The point was to not act judgmental or hostile under pressure.

The change didn't come easily, but with practice Jack learned to defuse his flare-ups by entering into a dialogue instead of launching a harangue. Although he didn't always agree with them, at least he gave people a chance to make their case. At the same time, Jack also practiced giving his direct reports more positive feedback and reminding them of how their work contributed to the group's mission. And he restrained himself from micromanaging them.

Jack met with his coach every week or two to review his progress and get advice on specific problems. For instance, occasionally Jack would find himself falling back on his old pacesetting tactics—cutting people off, jumping in to take over, and blowing up in a rage. Almost immediately, he would regret it. So he and his coach dissected those relapses to figure out what triggered the old ways and what to do the next time a similar moment arose. Such "relapse prevention" measures inoculate people against future lapses or just giving up. Over a six-month period, Jack made real improvement. His own records showed he had reduced the number of flare-ups from one or more a day at the beginning to just one or two a month. The climate had improved sharply, and the division's numbers were starting to creep upward.

Why does improving an emotional intelligence competence take months rather than days? Because the emotional centers of the brain, not just the neocortex, are involved. The neocortex, the thinking brain that learns technical skills and purely cognitive abilities, gains knowledge very quickly, but the emotional brain does not. To master a new behavior, the emotional centers need repetition and practice. Improving your emotional intelligence, then, is akin to changing your habits. Brain circuits that carry leadership habits have to unlearn the old ones and replace them with the new. The more often a behavioral sequence is repeated, the stronger the underlying brain circuits become. At some point, the new neural pathways become the brain's default option. When that happened, Jack was able to go through the paces of leadership effortlessly, using styles that worked for him—and the whole company.

“job performance.” With our new research, leaders, too, can get a clearer picture of what it takes to lead effectively. And perhaps as important, they can see how they can make that happen.

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the right measure. The payoff is in the results.

1. Daniel Goleman consults with Hay/McBer on leadership development.

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Leadership That Gets Results

Further Reading

ARTICLES

[What Makes a Leader?](#)

by Daniel Goleman

Harvard Business Review

November–December 1998

Product no. 3790

"Leadership That Gets Results" is Goleman's follow-up to this article. A study of 200 global companies reveals that soft skills have a lot to do with emotional intelligence, which, Goleman argues, is the key component of leadership. Emotional intelligence comprises self-awareness, self-regulation, motivation, empathy, and social skill. In the workplace, it manifests itself not simply in the ability to control your temper or get along with others. Rather, it involves knowing your own and your colleagues' emotional makeup well enough to be able to move people in directions that help accomplish company goals. Emotional intelligence isn't just an innate talent, Goleman insists—it can be measured, learned, and developed.

[The Ways Chief Executive Officers Lead](#)

by Charles M. Farkas and Suzy Wetlaufer

Harvard Business Review

May–June 1996

Product no. 96303

Goleman pinpoints emotional intelligence as the key element of successful leadership; Farkas and Wetlaufer zero in on the leader's focus. Whereas Goleman emphasizes matching the leadership style to a particular business situation, Farkas and Wetlaufer concentrate on the particular approach that leaders choose. The authors interviewed 160 CEOs around the world, inquiring about their attitudes, activities, and perspectives. Instead of uncovering 160 different leadership styles, they found only five, each with a singular focus: strategy, people, expertise, controls, or change. For example, CEOs who focus on strategy "believe that their most important job is to create, test, and design the implementation of long-term strategy." CEOs who

use the "box approach" believe "they can add the most value in their organizations by creating, communicating, and monitoring an explicit set of controls—financial, cultural, or both—that ensure uniform, predictable behaviors for customers and employees."

[What Effective General Managers Really Do](#)

by John P. Kotter

Harvard Business Review

March–April 1999

Product no. 3707

Managers who carefully control their time and work within highly structured environments may be undermining their effectiveness. Kotter demonstrates how such seemingly wasteful activities as chatting in hallways and holding impromptu meetings can actually be a very efficient way of managing. When he describes the two fundamental challenges managers face—figuring out what to do in the midst of an enormous amount of potentially relevant information and getting things done through a large and diverse set of people, most of whom the manager has no direct control over—Kotter shows some awareness of the emotional intelligence these challenges call for. But his primary point is about managers taking a strategic approach to the tactical issue of handling their schedules and interactions. He advises managers to develop flexible agendas and broad networks of people. Flexible agendas enable managers to react opportunistically to the flow of events around them. And with broad networks, even quick and pointed conversations can help extend managers' reach well beyond their formal chain of command.

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TAB 10

RESOURCES

ADDITIONAL LEADERSHIP RESOURCES

BOOKS

- Bazerman, Max H. and Dan Moore. *Judgment in Managerial Decision Making*
- Bennis, Warren. *On Becoming a Leader*
- Burns, James MacGregor. *Transforming Leadership: The Pursuit of Happiness*
- Chait, P. Richard, William P. Ryan and Barbara E. Taylor. *Governance as Leadership: Reframing the Work of the Nonprofit Board*
- Collins, James C. and Jerry I. Porras. *Built to Last: Successful Habits of Visionary Companies*
- Collins, Jim. *Good to Great: Why Some Companies Make the Leap and Others Don't*
- Collins, Jim. *Good to Great and the Social Sector: A Monograph to Accompany Good to Great*
- Dweck, Carol S. *Mindset: The New Psychology of Success*
- Fletcher, Joyce. *Disappearing Acts: Gender, Power, and Relational Practice at Work*
- Heifitz, Ronald A. *Leadership Without Easy Answers*
- Hock, Dee. *Birth of a Chaordic Age*
- Jossey-Bass, ed., *Leader to Leader*
- Katzenbach, Jon R. and Douglas K. Smith. *The Discipline of Teams: A Mindbook-Workbook for Delivering Small Group Performance*
- Kotter, John P. *On What Leaders Really Do*
- Kotter, John P. and Dan S. Cohen. *The Heart of Change: Real-Life Stories of How People Change their Organizations*
- Linsky, Martin and Heifitz, Ronald. *Leadership on the Line: Staying Alive Through the Dangers of Leading*

- Smith, Douglas, K. *On Value and Values: Thinking Differently About We in an Age of Me*
- Smith, Douglas, K. *Make Success Measurable! A Mindbook-Workbook for Setting Goals and Taking Action* (especially chapters 1-4)
- Ryan, William P., Allen Grossman and Christine W. Letts. *High Performance Nonprofit Organizations: Managing Upstream for Greater Impact*

ARTICLES

- Goleman, Daniel. *What Makes a Leader?* Harvard Business Review, November–December 1998 Product no. 3790
- Farkas, Charles M. and Wetlaufer, Suzy. *The Ways Chief Executive Officers Lead.* Harvard Business Review, May–June 1996 Product no. 96303
- Kotter, John. *What Effective General Managers Really Do.* Harvard Business Review, March–April 1999 Product no. 3707

WEBSITES

- Andy Goodman. *Storytelling as a Best Practice.*
<http://video.google.com/videoplay?docid=-289257716014946841#>
- William Bridges' Managing Transitions: <http://www.wmbridges.com/>
- Jim Collins: <http://www.jimcollins.com/>
- John Kotter: <http://www.johnkotter.com>. He has a "Change insight tool" at <http://www.theheartofchange.com/home.html> that you can fill out right on the web and get results.
- Kouzes and Posner's Leadership Challenge: <http://www.josseybass.com/WileyCDA/Section/id-9638.html>
- A global approach to leadership that blends values from all over the world can be found at <http://www.leader-values.com/>
- Emotional Intelligence: <http://trochim.human.cornell.edu/gallery/young/emotion.htm>

ABOUT THE INSTRUCTORS and CURRICULUM DEVELOPERS

In developing this curriculum, we have incorporated components of *ML 245: Leadership Development in Communities of Color*.

Vickie Oldman-John – Instructor and Curriculum Developer

A founding partner and co-manager of Seven Sisters Community Development Group, Vickie specializes in culturally relevant approaches to organizational development. With expertise in strategic planning, board development, leadership training, team building, asset building, and curricula development, Vickie works with urban and rural communities. She is recognized nationally as a skilled facilitator, trainer, and motivational speaker. Vickie is a certified trainer and facilitator for the Institute of Cultural Affairs' ToP Strategic Planning, True Colors, Nonprofit Management, Building Native Communities – Financial Skills for Families, and the Grove Team Performance Model.

Vickie has more than 15 years of consulting and community experience. She has been a lead trainer and technical assistance provider in various capacity building initiatives funded by the U.S. Department of the Treasury's CDFI Fund. She is also a coach for YouthBuild USA sites nationally. She conducts national training sessions on financial coaching for practitioners and other trainers. She currently sits on the boards of Rural Community Assistance Corporation Board and Junior Achievement NM's Native Initiative. She has been recognized for her achievements with numerous awards from the National Association of Social Workers, including the "2006 President's Award," the "2004 Women of Vision Award", and the "2003 Social Worker of the Year Award."

Vickie has a Masters in Social Work with a concentration in Community Planning and Administration from New Mexico Highlands University. She also holds a Bachelor of Social Work degree from Arizona State University. She is an enrolled member of the Navajo tribe, and her clans are Black Streak of the Forest People, Mud People, One Who Walks Around People, and Folding Arm People.

Leslie Newman – Instructor and Curriculum Developer

A founding partner and co-manager of Seven Sisters Community Development Group, Leslie Newman specializes in community development in Native and border communities, focusing on affordable housing, asset building, community development financial institution (CDFI) development, organizational development, and resource development.

Leslie has over 18 years of experience in community economic development. She has worked as the director of a small nonprofit housing development organization, a trainer, a technical assistance provider, a grant writer, and a reviewer on a federal grant review panel. She worked as a lead trainer and technical assistance provider for the

“Expanding Native Opportunity: Native IDA Initiative” sponsored by Oweesta, First Nations Development Institute, and CFED, and underwritten by the CDFI Fund. She has served as a reviewer for the Native Asset Building Initiative (NABI), a combined award of Assets for Independence (AFI) and Administration for Native Americans (ANA) funding. Leslie has also developed and teaches courses for NeighborWorks America, entitled, “Surviving Harsh Elements: Enhancing a Native Organization’s Sustainability,” “Building the Capacity of Native Nonprofits,” and “Creating a Path to Self-Sufficiency through Native Integrated Asset Building Strategies.”

Leslie began working in community development as a law student, assisting nonprofit organizations in Detroit focusing on affordable housing, income-generating strategies, and neighborhood revitalization. She then worked on the U.S./Mexico border for five years with Proyecto Azteca, a self-help housing program focused on improving living conditions in colonias along the border. Leslie then worked with the U.S. Department of Housing and Urban Development (HUD) to take the self-help housing model to the Pine Ridge Indian Reservation in South Dakota, where she assisted the Oglala Sioux Tribe Partnership for Housing to develop their self-help initiative. For the past 14 years, Leslie has focused much of her work on asset building in Native communities, concentrating on Native CDFI development and the creation and implementation of Individual Development Account (IDA) programs. In 2006, she was invited by YouthBuild USA to serve as a program coach for new Native YouthBuild sites. Through YouthBuild, local sites provide educational opportunities, leadership development activities, hands-on construction training, and supportive services for at-risk youth in low-income communities, focusing on placement in post-secondary education or employment.

Leslie holds a Bachelor of Arts in Asian Studies from Dartmouth College and a Juris Doctor from the University of Michigan Law School. She is fluent in Spanish and Hebrew and has conversational knowledge of French and Arabic.

Natasha Shulman – Curriculum Developer

A principal at Seven Sisters Community Development Group, Natasha has worked actively in the economic development arena for more than ten years. She specializes in systemic and strategic analysis, curricula development, project management, emerging markets development, and training. She has authored several financial education and training curricula to build skills within Native and other ethnic communities. These include “Building Native Communities: Financial Skills for Families” and “Reaching the Immigrant Market: Creating Homeownership Opportunities for New Americans.” Prior to consulting, Natasha worked for First Nations Development Institute as Associate Director of Training and Development. She was also a Vice President with Bank of America and managed the rollout of the new Bank of America brand across 36 countries. While at Bank of America, Natasha managed emerging market development across the Northwest, and designed several system-wide initiatives such as the Language Certification Program, diversity training, and the Bank of America Mentoring Program. Natasha began her career by studying microfinance in Bangladesh, Nepal, and Chicago. She holds a Bachelor of Arts from Carleton College with a focus on urban economic development.

Collaborating Organization: Seven Sisters Community Development Group
(www.7sistersconsulting.com)

Seven Sisters Community Development Group, LLC is a national consulting firm which offers culturally relevant and innovative strategies, services, and products that create systemic change. We assist low-wealth and diverse communities across the country to plan, develop, and implement community based economic development strategies. We work with national and local nonprofits and corporate organizations, as well as local, state, tribal, and federal governmental entities. Incorporating the values and vision of our clients, we offer inspiring and insightful solutions to support the growth of energized, self-reliant individuals, organizations, and communities.

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