

## Amid Downturn, Nonprofits Reap Benefits of Leadership Support

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When the financial crisis struck in the fall of 2008, Jan Karlin was in the middle of her two-year grant from Irvine’s [Fund for Leadership Advancement](#) (FLA). Karlin had had great success as cofounder and executive director of [Southwest Chamber Music](#) in Pasadena. The ensemble had won two Grammy Awards, been on three world tours in the previous four years, and secured federal funding for the largest-ever cultural exchange with Vietnam, sponsored by the U.S. State Department.



“As an organization, we were looking at what we could do next,” Karlin says. “I thought the FLA grant would help move us to the next level.” Karlin used FLA funds to hire an executive coach, take seminars, and boost the capacity of her staff and board to help realize the vision she was creating. “So by the time the recession hit, we had a lot of things in place to be able to weather the recession,” Karlin recalls. “I won’t say it’s been easy, but I don’t think we’re in any danger as an organization.”

Launched in 2006, the Fund for Leadership Advancement was designed to help the executive directors of selected Irvine grantee organizations improve their leadership skills, so they can be better equipped to take advantage of growth opportunities. The fund was specifically not intended to help organizations respond to short-term crises. But as the recession has unfolded, many FLA grantees are finding that the program’s leadership support is helping them remain focused on the organization’s longer term goals in the face of momentary challenges.

“What some organizations need most right now is to adapt to the new economic reality,” says Carol Gelatt, an executive coach who serves as a consultant to Irvine on FLA. “But that doesn’t mean they’re being reactive or thinking small. FLA has helped leaders stay focused on the longer strategic view of the organization. That way, they can manage the

crisis in the short term, and improve prospects for the long term.”

## **Program Fundamentals**

Every year, Irvine invites selected grantees to apply for the leadership support and awards grants to six to 10 executive directors. A team of program staff from Irvine’s three core programs manages the fund and makes recommendations to the board for grant support. The two-year grants range from \$35,000 to \$75,000 and are used to fund an individualized program of leadership advancement that can include executive coaching, organizational consulting, seminars, visits to peer institutions and more. Nearly [50 nonprofit leaders](#) have received this support to date.

Noting that Irvine has a strong interest in the connection between leadership and organizational effectiveness, Joe Pon, Irvine’s vice president for programs, said the fund demonstrates the value of leadership programs that are flexible, focused and customized. “FLA was born of something that Irvine has long recognized: You need strong leaders to build strong organizations,” he said.

Southwest Chamber Music, which received its Irvine grant in 1994, is a case in point. Jan Karlin cofounded the organization in 1987 with artistic director Jeff von der Schmidt. By 2007, when Karlin received FLA funding, they had built up the organization to support the ensemble with six full-time and six part-time staff and a \$750,000 budget. The organization serves 15,000 people each year with concerts, recordings and educational programs.

“The question was,” says Karlin, “are we just going to rest on our laurels, or are we going to keep moving forward?” For a creative person like Karlin, the answer was obvious. She wanted to broaden her leadership skills so the organization’s capacity could keep pace with its artistic aspirations. That was the “inflection point,” or the opportunity for real transformation, that the Fund was seeking in its grantees.

But in order to make progress, Karlin had to “move from the classic role of a founding executive director, where I had a hand in everything, and into a more traditional executive director role,” in which she did higher-order planning and fundraising. “Letting go is important” to make that kind of shift, Karlin says. Part of the FLA grant helped Karlin enhance her leadership skills, while other FLA funds were used for consultants and seminars to boost the abilities of the organization’s staff and board, so they could take on the tasks that Karlin was leaving behind.

“The Fund can support an executive director to have better delegation skills, but they need a strong team in place to delegate to,” says Carol Gelatt, Irvine’s consultant. “The executive director can only go as far as her board or her team.” In this respect, the Foundation has learned from its grantees. When the Fund started, it was more focused on supporting the individual leader, whose improved skills would benefit the organization. “The executive director is still the lynchpin, but now the Fund’s management team more

seriously considers the whole leadership system,” Gelatt says.

## What We’ve Learned

These and other lessons are explored in Irvine’s recent report, [“What Helps Leaders Grow,”](#) based on an [evaluation of the Fund for Leadership Advancement](#) over its first three years and 20 leaders. Among its findings:

- Grantees cited executive coaching and organizational development consulting as the two most useful forms of support the Fund provided.
- Organizations most likely to benefit from the support were in the “adolescent” or “renewal” phases of their lifecycle, had larger or more experienced staffs, and had boards that got involved early and at high levels.
- Leaders reported that the work they did under the FLA grant yielded such benefits as improved professional skills, greater sharing of leadership responsibilities and higher job satisfaction.

“We’ve learned a lot,” says Carol Gelatt, “but there’s lots more to learn.” She says the Fund is now considering how to do even better at strengthening an entire leadership system, and how to support organizations that have dual leadership, whether it is two cofounders or leadership team that includes an artistic director and an executive director. The Foundation is also asking FLA grantees in the application how the recession affects their leadership needs and what they are doing to adapt.

The desire to learn and improve is a quality that characterizes the grant program itself; not coincidentally, the program evaluation shows that it’s the mark of an effective leader as well. Karlin agrees: “As a leader, you have to keep building skills — you keep growing and changing and taking on new projects. I constantly want new challenges. That’s what gets me going to work each morning.”