

Shaping the Future

Leadership in Ontario's
Nonprofit Labour Force

FINAL REPORT

ONN HUMAN CAPITAL RENEWAL STRATEGY: PHASE ONE

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Partners' Advisory Council (PAC)

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Foreword

Welcome to an insightful report, and an invitation.

This report concludes the first phase of the Ontario Nonprofit Network's (ONN) *Human Capital Renewal Strategy*. It summarizes data from new survey research conducted over the last year, which lays the groundwork for strengthening and expanding made-in-Ontario strategies to renew our people—the foundation of passion, creativity and skills that sustain our sector's dynamic and effective contributions to individual and community well-being.

ONN began this initiative after hearing from many sector leaders that our capacity to deliver on public benefit mandates could be more effectively sustained if we had sector-level support for organizations to creatively and effectively respond to some pressing demands. These include adapting to an aging workforce, responding to increased income generation and accountability requirements, reflecting and engaging the full cultural diversity of our communities, and ensuring renewed nonprofit leadership is in place over the long term to sustain innovative responses to our province's economic, health, and social concerns.

Our sector's labour market is a major economic force in Ontario, hiring over 600,000 employees and representing 2.6 percent of Ontario's GDP. Despite the important role of nonprofits for Ontario's social and economic development, the sector's identity as an employer and an industry has only emerged in recent years. Sector-specific research and comprehensive databases are largely unavailable, posing a barrier to meaningful human resource planning and development for our sector.

Mowat NFP, our research partner for this first phase of work, and author of this report, has done an extraordinary job in gathering and analysing new data that will help to clarify and focus our efforts. While there remains a need for more extensive and sustained research on the labour-market challenges and conditions in our sector, we now have some helpful information to inform immediate actions.

In the next phase of this work, ONN will continue to broaden its engagement with sector leaders and other stakeholders to generate pilots for new human capital renewal initiatives, and to highlight and propagate existing initiatives that are having a positive impact. Key stakeholders and partners moving forward will include our province's local training boards, social planning councils, regional nonprofit networks, university and college programs, sector unions, and our many sub-sector associations providing skills training, leadership development, and HR capacity building for their members.

We would like to thank our research partner, Mowat NFP, who delivered valuable research results amidst a complex terrain and tight timelines, our passionate volunteers on the Partners' Advisory Council and ONN staff who helped guide and sustain these efforts, and the Ministry of Training Colleges and Universities, Employment Ontario (MTCU/EO) for providing financial assistance to support this research.

Finally, we thank you for taking the time to read this report, and invite you to be part of shaping and implementing our sector's next steps on this dynamic and critical journey.



Robin Howarth

Introduction

The importance of “human capital” cuts across all sectors, and should be a strategic priority for the nonprofit sector. The ability of this sector to attract and retain the right talent, develop effective leadership, provide relevant training and skills development, and offer competitive benefits and compensation will be critical in determining the future vibrancy and sustainability of the nonprofit sector in Ontario.

Employee wages and benefits constitute the single biggest expense in budgets for most if not all nonprofit organizations that have paid staff. This sector invests significant financial resources to deploy time and talent to meet mission. The purpose of creating a human capital renewal strategy (HCRS) for Ontario’s nonprofit sector is to compete in the broader labour market for the talent it needs in order to be innovative in its work and produce sustainable results for individuals and communities. An effective strategy will also enable the sector to prepare for impending demographic changes, technological advancements, and to meet emerging needs in communities.

For the purposes of this research, *human capital* refers to the collection of skills, knowledge, experience and personal attributes that create value in an organization. A *human capital strategy* is the development of plans and actions to align the human capital within an organization, or in this case a sector, so that it can effectively achieve its strategic goals.

External Drivers

As part of strategy development, it is critical to consider the social and economic context. In Ontario today, the nonprofit sector is being shaped by a number of drivers. One of the most powerful *external* drivers shaping human capital across all sectors, in Canada and globally, is demographic change; in particular, an aging population, intergenerational cultural change, and immigration. The effect of an aging population means that there is an impending retirement wave that will play out most significantly at the leadership level, with serious implications for succession planning and engaging younger generations. An aging population is also giving rise to new sector initiatives aimed at making strategic use of people’s time and talent after they leave the world of full-time work.

New generations of employees have different perspectives on work. Beyond work-life balance, younger workers use technology to blend work and life seamlessly into their day. An open-concept workspace without regard to hierarchy is often preferred as is telecommuting. Many younger workers want their performance to be evaluated on results, not presence. Their approaches to work are beginning to shift the culture of all organizations, including nonprofits.

As a key demographic trend in Canada, immigration is widely viewed as a positive response to potential labour shortages in the near and long-term. For the nonprofit sector, immigrants are not only an important source of talent, but the continued reliance on immigration to grow Ontario's labour force means that communities and service users are increasingly diverse, and the organizations that serve them need to reflect this change.

Another key external driver shaping the sector is the current climate of fiscal restraint. For nonprofit organizations that primarily deliver government services (health, settlement, employment, child care, housing, etc.) and rely heavily on government contracts for their overall revenue, there are challenging times ahead. With little manoeuvrability in ever-shrinking budgets, and the move away from core funding to project-based funding, employment conditions are inevitably affected, resulting in increased part-time and contract employment, non-competitive wages, increased shift work, and fewer benefits and pensions. Such precarious employment contributes to job dissatisfaction and may result in people leaving the nonprofit sector for more stable employment.

Our workplace environments, the technologies we use, how our expectations are changing—all of these contribute to how we think and work and how we think about work. The pace of change in this sphere is exponential, and the sector's ability to leverage workplace flexibility, the use of new technologies, opportunities to test new ideas and engage in cross-sector collaborations could be powerful determinants in its capacity to attract new and emerging talent.

The future of innovation is in fact increasingly defined by the ability to work across sectors. The lines between sectors are becoming blurred as solutions to complex social challenges increasingly demand multi-stakeholder partnerships, and the nonprofit sector's role of bringing together the diversity of community voices will be critical at the table. There is also a growing engagement of funders, donors, corporate and other civic leaders wanting to be more closely connected to the work they support and wanting to see a defined return on their investment, driving the need for the sector to demonstrate impact, build effective partnerships with the private sector, and leverage relationships beyond dollars.

Internal Drivers

There are also a range of internal drivers that are shaping the human capital needs of the sector. At the level of sector narrative, there are competing perspectives about how the nonprofit sector should and does view itself in terms of resources. On the one hand, there is an emerging, aspirational view that that the sector should claim a sense of

abundance and autonomy. Abundance, because a growing number of organizations are finding new ways to generate revenues, separate from government funding, thereby moving away from the view of scarce resources; and autonomy because new revenues can free them up to set their own course. On the other hand, there is the experience of scarcity. Resources and funding are declining, limiting opportunity and capacity as it relates to human resources and leadership. Looking forward, the appeal of community values, vision and 'making a difference' may not be enough to attract and keep high performing talent in the sector, nor can it be a trade off for fair wages. The nonprofit sector may be increasingly challenged to sustain a strong workforce because it no longer enjoys a monopoly on values-based employment opportunities.

There is a growing awareness across the sector of the need to reframe and strengthen the sector's narrative, value proposition, and external brand, more effectively communicating and marketing the benefits of the sector and working in the sector. A compelling case needs to be made on the values, creative space and innovative opportunities available in the sector. This will become an increasingly vital element in the context of the emerging competition for talent across sectors.

Finally, a key internal driver shaping human capital needs is the structure of organizations in the sector. The vast majority of nonprofits in Ontario are small organizations with less than five employees. This reality has significant implications for the organizational capacity and options for the sector as a whole. As the majority of nonprofits are small, they are also flat and have limited ability to develop career laddering opportunities for their employees. Even in mid-sized organizations, cutbacks in funding make it difficult to develop the managerial level of the organization and grow internal leadership. Because many nonprofits cannot offer career growth within one workplace, sector employees often have to move between organizations in order to grow and develop their skills and leadership potential. These structural constraints also affect opportunities for training and development. If the sector is serious about recruiting, developing and retaining talent, organizations will need to be more deliberate about working collaboratively to create those opportunities.

Within nonprofit organizations, boards are a critical factor in the human capital equation. One of their most important responsibilities is to hire the senior leader and to provide support to the executive director/CEO. They need to be able to deal with the complexities of the sector and should have the capacity to provide direction and support to the executive leadership. Boards are responsible for succession planning, but may not be well equipped for this type of planning. The challenges facing volunteer boards are often felt more acutely in rural areas, where there is a limited supply of, and high demand for, volunteers.

This Report

While it is essential to understand the drivers and context shaping the sector, the key to a human capital strategy is that it is forward-looking. The nonprofit sector in Ontario must be thinking about the future, whether it will grow or contract, how it will compete for talent, how it will provide good services and programs, and how well-prepared it is to navigate the changes that lie ahead. An essential priority for the strategy must be the leadership of the sector; that part of the workforce that contributes a disproportionate share of current and future value and impact.

In order to begin the process of developing a human capital strategy for the nonprofit sector in Ontario, there is a need for data that captures the baseline of experiences and challenges faced by leaders and their organizations. Are organizations growing? Are they able to attract and retain the people with the competencies they need? Who are the current nonprofit sector leaders? What has been their experience? Are leaders able to deliver on their vision of leadership? What are the leadership skills that are needed today and in the future? How are future nonprofit leaders being identified and developed?

The Mowat NFP research team was retained by the Ontario Nonprofit Network to work with the Partners' Advisory Council (PAC) to collect the data to inform the development of a human capital renewal strategy for the nonprofit sector in Ontario. This report provides a summary of the research findings from all three parts of the data collection process (key informant interviews, online survey, and focus groups). It focuses largely on leadership because the sector is facing a "leadership gap" on three dimensions: an impending demographic exodus; a disconnect between the visions of leadership and the reality of leading organizations in this sector; and the rapidly changing competencies that are needed to navigate and lead in a complex landscape. The report is organized around five key themes that emerged from the data collected:

- 1 Competing to find and keep talent
- 2 Rethinking the current model of leadership
- 3 Leadership skills and competencies
- 4 Where future leadership will come from
- 5 Diversity in the nonprofit sector

These themes are connected and sometimes overlapping. They are stories of change, growth and opportunity for the sector.

At the end of each section, strategic opportunities are identified to help inform the development of ideas and strategies for Phase II of the Human Capital Renewal Strategy. ONN will look for additional input from sector leaders to help shape a broad range of ideas for strategy development.

The goal of this report is to share the findings of key informant interviews, an in-depth survey that was completed by 810 executive directors and senior leaders across Ontario, and focus groups. These findings are intended to provide nonprofit leaders of today and tomorrow with the data and insights that will help them build deliberate and focused strategies to strengthen and renew human capital in the sector. Faced with both opportunities and challenges, the sector needs to take a close look at how it can recruit and deploy its greatest strategic asset: people who are both passionate and skilled to make positive change for the benefit of individuals and communities in Ontario. For sector and community leaders, funders, policy makers, training and educational institutions, and other stakeholders, these findings will support the development of priorities and strategies that will contribute to a healthy and vibrant sector that continues to add value and impact across the province.

Methodology

The data collection phase consisted of three components: key informant interviews and a review of existing literature and data sets, an online questionnaire, and finally as a follow up, focus groups. A three-pronged data collection approach enabled the research team to help build a more comprehensive account of the particular human resource issues sector leaders' face and the competencies and skills they need to strengthen the future of the nonprofit sector in Ontario.

Framing the Research Questions

As the first step in the research process, potential research questions were identified by reviewing the relevant literature and conducting key informant interviews, including a consultation with the ONN Partners' Advisory Council (PAC). In March 2013, interviews were held with 15 key informants from organizations representing various sub-sectors and sizes, umbrella groups, and other subject matter experts. Key informants were asked to comment on trends shaping the sector, the impact of these trends on human capital, and implications for the development of a human capital renewal strategy for the sector. The preliminary research and interviews were distilled in a first report by Mowat NFP entitled, *Human Capital Renewal in the Nonprofit Sector: Framing the Strategy* in June 2013.¹

From the interviews and the literature, three key human capital priorities were identified and explored in the design of the survey instrument: closing the leadership gap, finding and keeping talent, and developing human capital. These priorities informed the development of the survey instrument that would be used to collect data from across Ontario.

Designing the Survey

The purpose of the research was to collect data to inform the development of a human capital renewal strategy. The objective of the survey was to explore the priorities identified, and also to collect baseline data on the nonprofit labour force in Ontario. The result was the *Looking Ahead Leadership Survey* that focused on the following key areas: i) organizational and workforce characteristics (geographic location, size of organization, breakdown of full-time/part-time workers, age and maturity of organization, etc.); ii) recruitment and retention issues (including workplace diversity issues); iii) developing human capital, and; iv) the leadership pipeline and succession planning in the sector.

¹ This document is available on-line at <http://www.mowatcentre.ca/pdfs/mowatResearch/82.pdf> [Elizabeth McIsaac, Stella Park and Lynne Toupin (2013) "Human Capital renewal in the Nonprofit sector: Framing the strategy" Mowat Centre: University of Toronto]

The Partners' Advisory Council provided valuable feedback to the design of the questionnaire, and a pilot-test of the online survey was conducted with 10 sector leaders. Appendix A provides a copy of the survey questionnaire.

The Sample

The intended survey sample was executive directors and senior leaders of nonprofit organizations with paid staff in Ontario. To this end, the survey was targeted to individuals that met the following criteria: i) the survey respondent works in a nonprofit organization in Ontario; ii) the organization must have at least one paid staff; and iii) the survey respondent is an executive director/CEO, senior Human Resource manager, or other senior manager of the organization. Charitable and/or nonprofit organizations operated solely by volunteers were therefore not included in the survey.

The sampling frame was developed by combining different source lists including Canada Revenue Agency's listing for Ontario, the Ontario Trillium Foundation's nonprofit listing, as well as the Ontario Nonprofit Network's subscriber list. The source files were merged and duplicate organizations and/or individual contacts that appeared on more than one file were removed, resulting in a single master contact list with a total of 16,300 charities and nonprofit organizations. In addition, the survey was distributed and promoted through sector networks (websites, e-blasts, newsletters, etc.).

The sampling frame focused on nonprofit organizations in the following sub-sectors: arts and culture, sports and recreation, education and research, health (not hospitals), social and human services, environment, development and housing, and grant-making, fundraising and voluntarism. It was the intention of the PAC and ONN to focus on the core sector, and so outreach focused on these sub-sectors, and nonprofit organizations that operate in a religious or institutional capacity (hospitals, universities and colleges) were excluded.

The total number of responses received was 1,450. However, incomplete responses, and responses from organizations not located in Ontario, not having at least one paid employee, and not within the targeted sub-sectors, were excluded, resulting in 810 completed responses. It is important to note that a random representative sample could not be conducted for the survey. As such, the results of this survey should not be interpreted as a statistical representative sample of the nonprofit sector.

Survey Administration

The online survey was available only in English and consisted of 60 questions. The survey was administered using Fluid-Survey, a web-based survey tool, for a period of one month (May 8–June 7, 2013). In order to increase the number of survey

respondents, an incentive was offered for survey completion (draw for one of three iPads and three registrations to the 2013 ONN conference). Response rates were further increased through weekly reminder emails, promotion by nonprofit umbrella leaders, and community newsletters and websites, and leveraging social media platforms (LinkedIn, Facebook and Twitter). In addition, survey respondents were asked to provide the contact information of individuals that would be interested and qualified to complete the survey. These referrals were then contacted to participate in the survey.

Below is a map of survey participation from across Ontario, a snapshot of the sub-sectors and size of communities represented in the completed surveys,² and the job title of respondents:

FIGURE 1
NUMBER OF SURVEY RESPONSES ACROSS ONTARIO

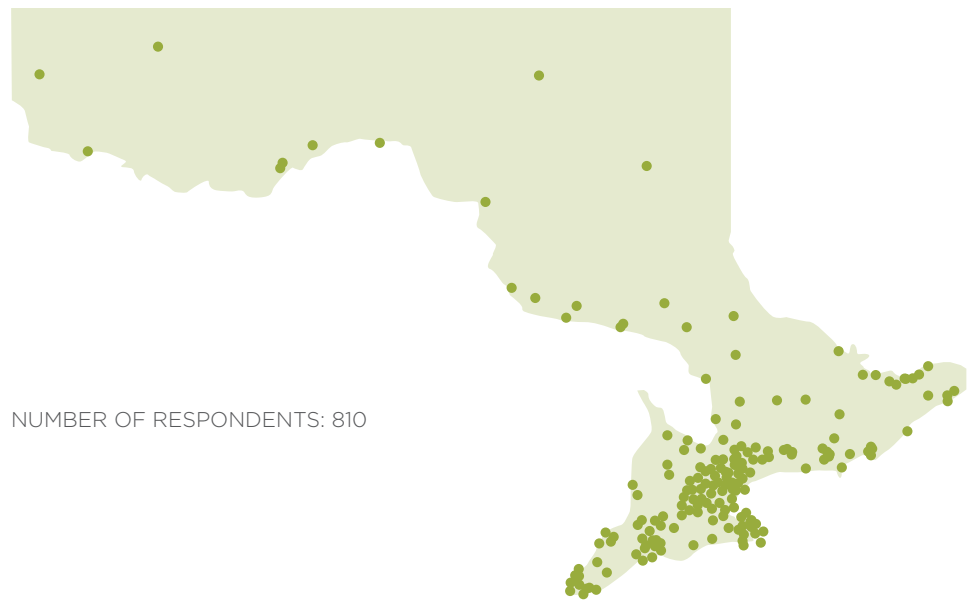
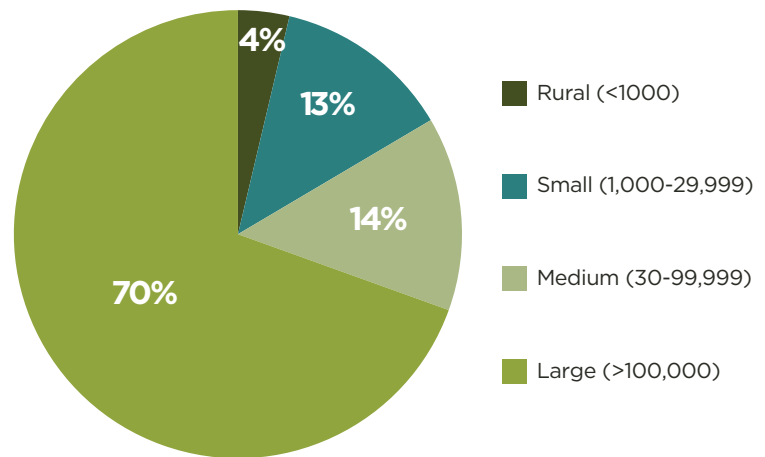


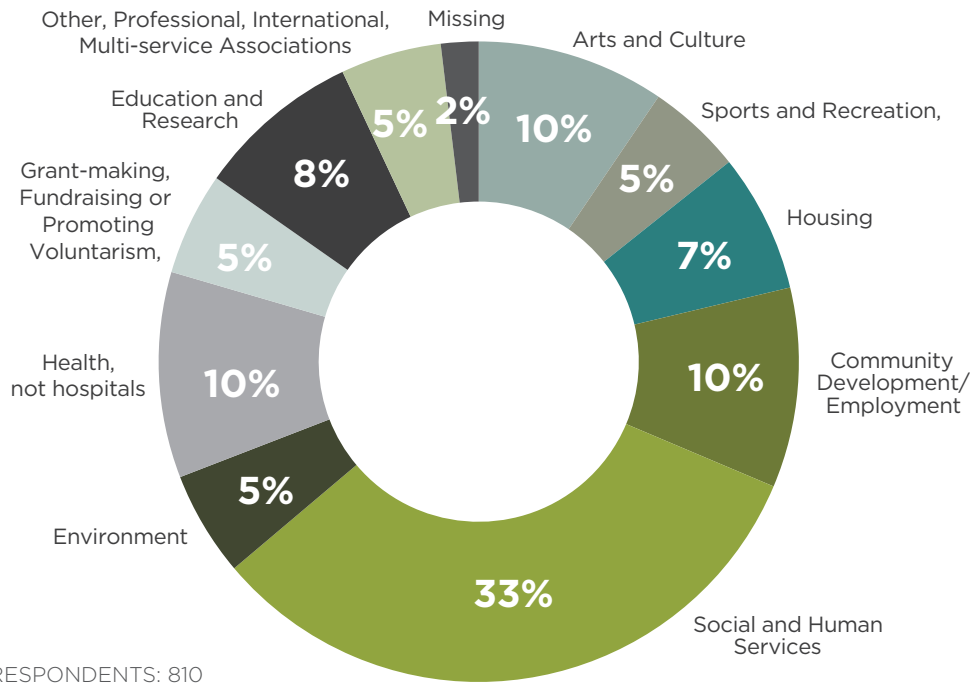
FIGURE 2
RESPONDING ORGANIZATIONS BY SIZE OF COMMUNITY



NUMBER OF RESPONDENTS: 810

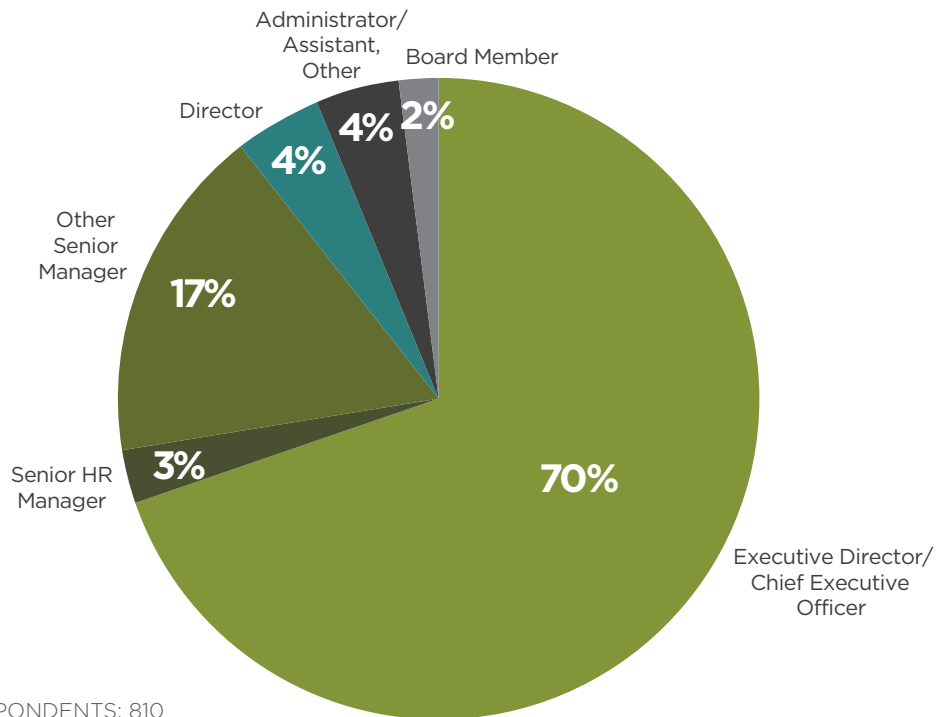
² These figures present descriptive analysis of survey data. Some numbers may not add up to 100% due to rounding.

FIGURE 3
RESPONDING ORGANIZATIONS BY PRIMARY AREA OF ACTIVITY



NUMBER OF RESPONDENTS: 810

FIGURE 4
JOB TITLE OF SURVEY RESPONDENTS



NUMBER OF RESPONDENTS: 810

Focus Groups

In July 2013, four focus groups were held across the province: London, Sudbury, Ottawa, and Toronto. Forty executive directors and senior leaders participated in these conversations, helping to make sense of the data from the survey as well as delving more deeply on the leadership role, where future leadership will come from, and diversity in the nonprofit organization.

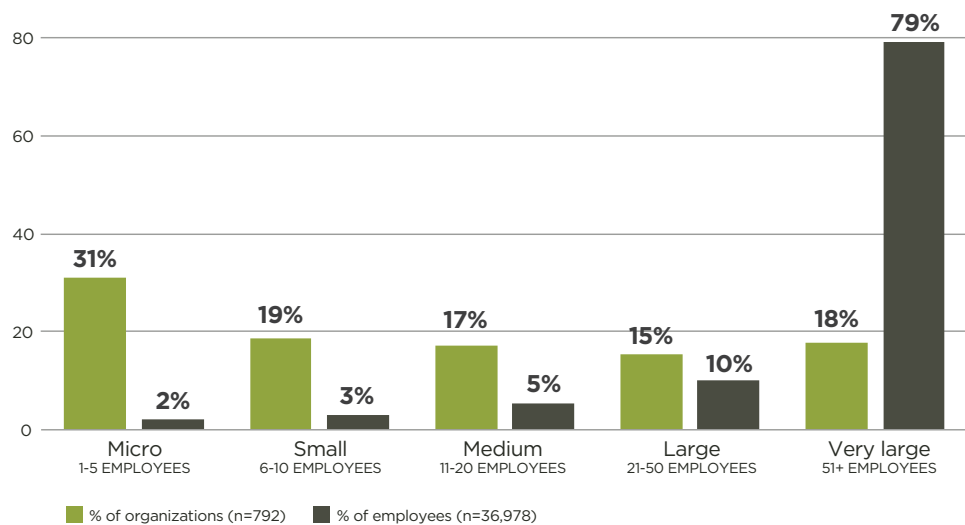
The locations of the focus groups were selected to capture the experiences of nonprofits and leaders located within different communities (large urban, northern and rural, Francophone). The focus groups also aimed to include representation from different sub-sectors and a range of organizational sizes. Except for the focus group in Ottawa which was facilitated in French, all sessions were held in English. Many of the focus group participants completed the online survey, but it was not a prerequisite. Appendix B provides a copy of the focus group questions.

Establishing the Baseline

The survey asked a series of questions in order to establish a baseline of labour force information for the nonprofit sector in Ontario. The focus of the research and the survey was on paid employment in the sector, and did not capture data on the contribution of volunteers. This section provides a summary of the information that was collected: distribution of employees by the size of organization; the life cycle stage of organizations; unionization; the nature of employment (permanent, contract, full time, part time), and the provision of benefits and pensions/retirement plans.

The following graph provides a snapshot of the distribution of employees by size of organization, and shows that the majority of employees (almost 80 percent) represented in this sample work in very large organizations (more than 50 employees).

FIGURE 5
DISTRIBUTION OF EMPLOYEES BY SIZE OF ORGANIZATION



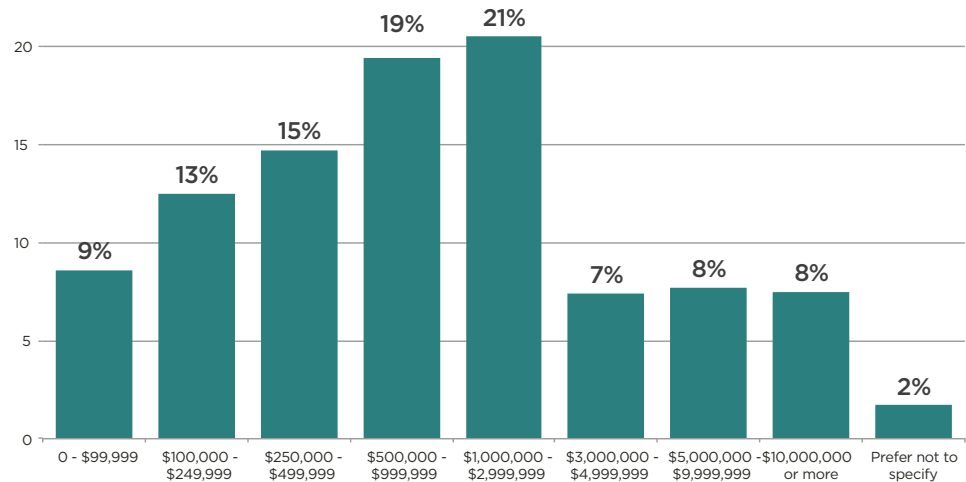
However, compared to the baseline of the sector established by the State of the Sector profile by the Ontario Ministry of Citizenship and Immigration,³ this survey under-sampled micro and small organizations and oversampled large and very large organizations, by number of employees.

³ State of the Sector, Volume I: Overall Report. September 2013. Ontario Ministry of Citizenship and Immigration. http://www.citizenship.gov.on.ca/english/pp/docs/state_of_the_sector_overall_report_volume1.pdf. Note, the two samples are not directly comparable as the State of the Sector includes the 40 percent of nonprofit organizations in Ontario that do not have paid employees.

Annual Budget

Survey respondents were asked to indicate the annual budget of their organization in the last fiscal year as an indicator of organizational capacity. More than 77 percent of respondents indicated that their organizations had an annual budget below \$3 million in the last fiscal year.

FIGURE 6
ANNUAL BUDGET OF THE ORGANIZATION IN THE LAST FISCAL YEAR



NUMBER OF RESPONDENTS: 810

Lifecycle of Organizations

Respondents were asked to describe the stage of maturity of their organization, as this is an important factor in understanding the dynamics of growth and organizational capacity. The following definitions were used to describe the various stages:

FIGURE 7
STAGES OF ORGANIZATIONAL MATURITY

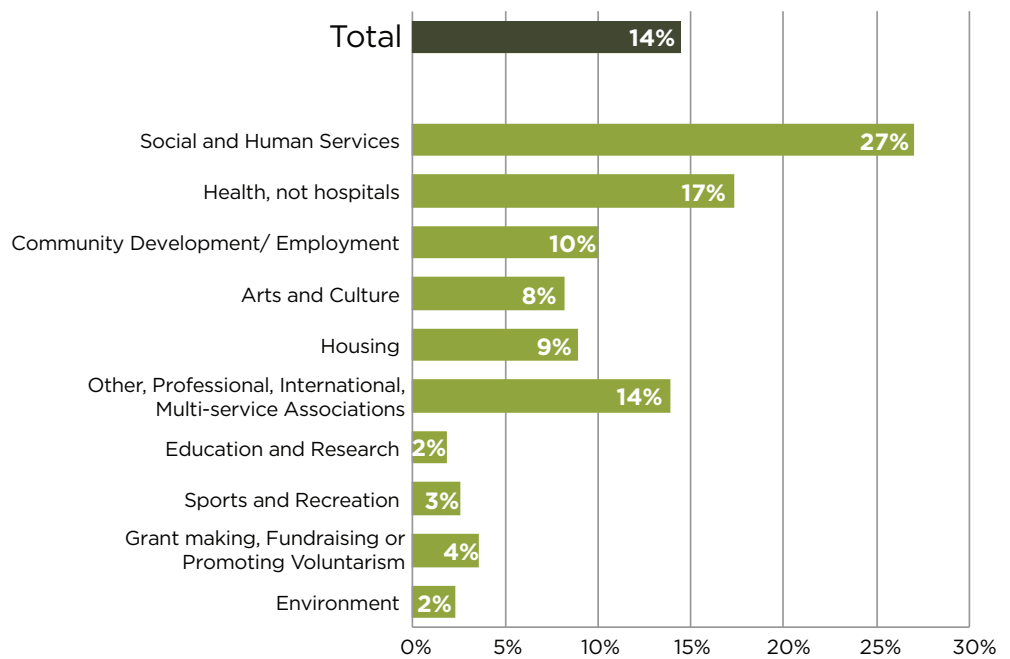
START-UP/NEW	GROWTH	MATURE	RENEWAL	DECLINE/SHUTDOWN
Founder-based; mission/vision development; emerging program.	Expanding staff and volunteer base; program anchoring and recognition in community; emerging profile; development of organizational infrastructure.	Core programs established; solid governance structure; financial stability; institutional recognition in the community.	Reconsideration of mission and relevance to original purpose and market; re-considering organizational autonomy and relationship to other organizations; expanding or franchising.	Loss of financial sources and client base; reduction of staff, services, programs.
2%	21%	58%	18%	2%

This majority of organizations identifying as “mature” suggests a certain capacity in terms of systems and infrastructure, which is potentially an asset when considering opportunities for collaboration and sector-wide strategy development.

Unionized Environments

Only 14 percent of organizations surveyed indicated a unionized workplace. The following graph provides the percentage of unionized workplaces by sub-sector, showing the highest occurrence in social and human services:

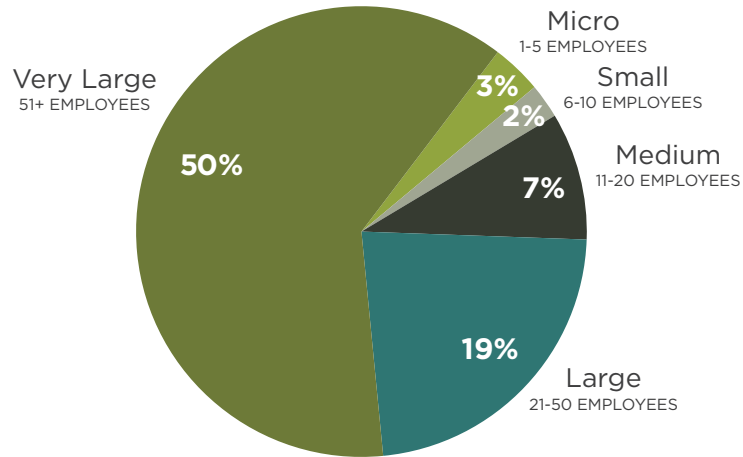
FIGURE 8
PERCENTAGE OF UNIONIZED WORKPLACES BY SUBSECTOR



NUMBER OF RESPONDENTS: 796

Not surprisingly, the majority of organizations that are unionized in the sector are large and very large.

FIGURE 9
PERCENTAGE OF UNIONIZED WORKPLACES BY SIZE OF ORGANIZATION



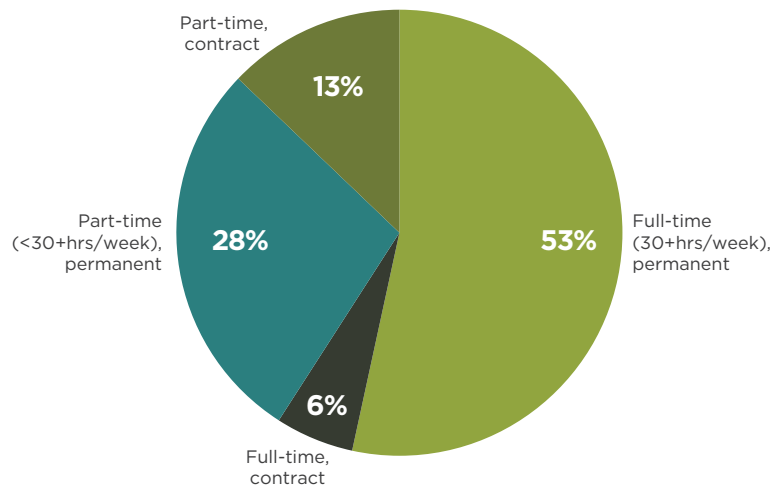
NUMBER OF RESPONDENTS: 789

Employment Status and Benefits

Across sectors, there is a sense of decline in employment stability. In the nonprofit sector, particularly that part of the sector that relies heavily on public sector funding, this is experienced as a result of increasing fiscal pressure of governments and the resulting move away from core funding to project-based funding. This reality shapes employment in the sector, and contributes to part-time and contract employment, lower wages, and limited access to benefits and pensions.

Survey respondents were asked to describe the nature of employment for the total number of employees in their organizations as contract (less than 12 months) or permanent (including contracts of more than 12 months), and full-time or part-time:

FIGURE 10
EMPLOYMENT STATUS

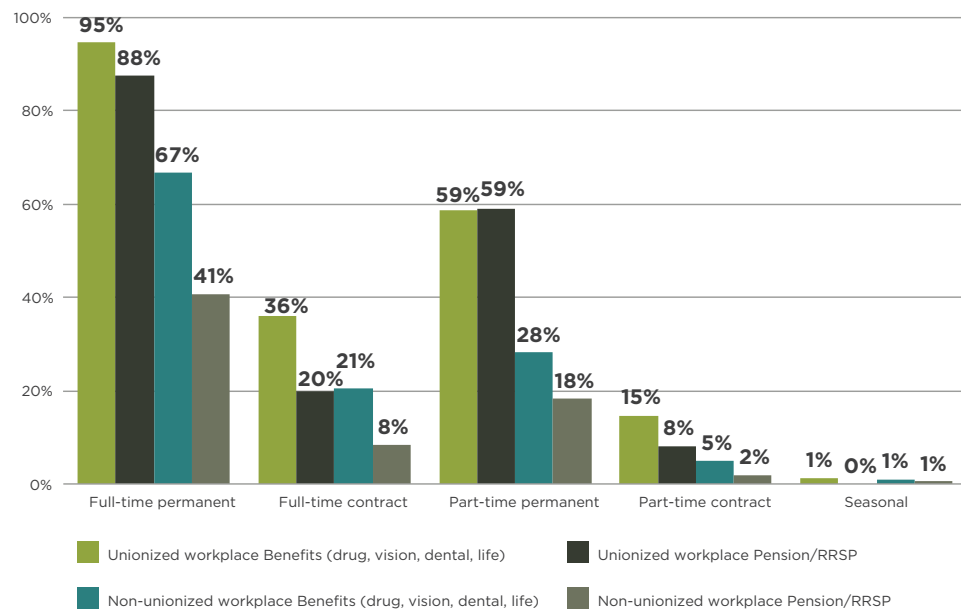


NUMBER OF RESPONDENTS: 796

Overall, these numbers compare generally to the findings of the recent United Way Toronto/PEPSO survey on precarious employment,⁴ which found that 50.3 percent of the general labour force is working as permanent full-time employees, and 8.8 percent is working as permanent part-time employees.

As research on precarious employment continues, it will be important to develop effective comparisons between data sets, and deepen the understanding of the drivers that are creating these conditions in various sectors (public, private and nonprofit).

FIGURE 11
ORGANIZATIONS PROVIDING HEALTH AND RETIREMENT BENEFITS TO EMPLOYEES



NUMBER OF RESPONDENTS: 810

Respondents were asked to indicate employees, by employment status, to which their organization provided health (health, dental, life insurance) and retirement (pension or contribution to an RRSP) benefits. The chart below indicates the percentage of organizations providing these benefits in unionized and non-unionized workplaces.

Employees working in unionized workplaces were more likely to receive retirement and health benefits compared to employees working in non-unionized workplace, regardless of characteristics of employment (full-time/part-time/contract). For instance, among permanent full-time employees, 88 percent received a retirement benefit if they had worked in a unionized workplace compared to only 41 percent if they worked in a non-unionized workplace.

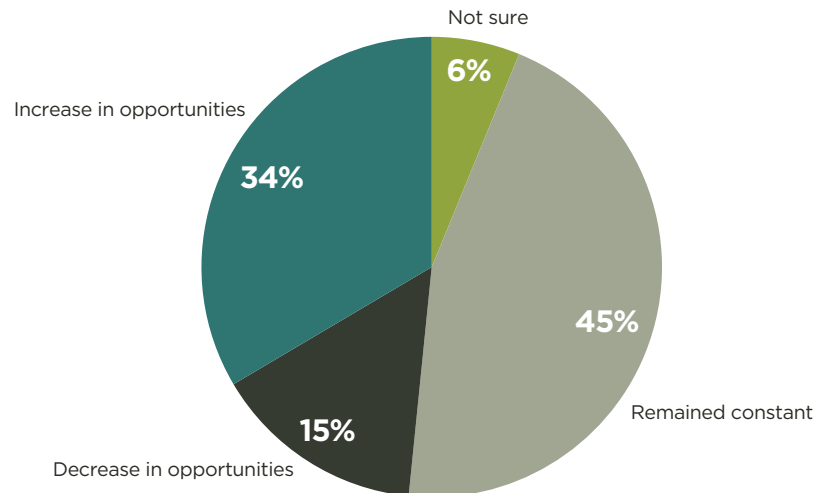
⁴ Poverty and Employment Precarity in Southern Ontario (PEPSO). 2013. "It's More than Poverty." Retrieved on March 1, 2013, from: <http://pepsouwt.files.wordpress.com/2013/02/its-more-than-poverty-feb-2013.pdf>

Training and Development

A core challenge identified in key informant interviews was that investments in training within the sector are modest at best, with limited capacity to develop the learning opportunities that are required. Key informants felt that the value of professional development was not sufficiently understood or respected in the sector overall. In particular, they pointed to limited financial commitment to training and development by many organizations and the reality that it is often not part of the organizational culture. This was positioned in contrast with the investment seen among large employers in the private and public sectors, and the commitment to ongoing professional development seen in regulated professions. Key informants also noted that there is a potential role for post-secondary educational institutions (PSEs) to work in partnership with the sector to develop and customize formal learning opportunities in nonprofit education.

Probing the quality and value of training and professional development would require a more comprehensive study, and some of this was explored in the focus groups as it related to leadership development. As a baseline indicator, respondents were only asked about availability, with the following results.

FIGURE 12
AVAILABILITY OF TRAINING/PROFESSIONAL DEVELOPMENT OPPORTUNITIES FOR STAFF OVER THE LAST THREE YEARS



NUMBER OF RESPONDENTS: 810

Focus groups identified the challenge of access to training/professional development generally in rural and smaller communities. Francophone participants also noted the additional challenge of finding appropriate programs in French.

Strategic Opportunities for the Sector

This first survey of nonprofit leaders in Ontario has provided an important opportunity to establish a baseline of labour force information for the sector. The value in data, however, is being able to compare with other jurisdictions, see change over time, and understand the implications for policy and strategy. There are three key opportunities going forward:

- Coordinate data collection on the nonprofit labour force with other provinces and research initiatives to contribute to an overall analysis and strategy for the sector in Canada.
- Pursue regular data collection to create a longitudinal view of change over time in order to deepen the understanding of trends and the implications for the sector.
- Extend the frame of data collection to include more granular labour market information to support a more detailed baseline of labour force information on the sector.

Theme 1

Competing to Find and Keep Talent

Finding and keeping the right people and skills is an essential part of building an effective organization. Being able to attract talent, however, is also about being competitive in the broader labour market. This is a challenge for the nonprofit sector, particularly at a time of increasing demand for services and anticipated growth. Determining the context of demand is an important first step in understanding the relative urgency of recruitment and retention strategies. While understanding the supply side of the equation is also important, that was beyond the scope of this study.

Demand for Paid Staff

Survey respondents were asked to provide an overall sense of growth in employment opportunities in their organizations. First they were asked whether their organization's full time equivalents (FTEs) had grown, declined, or stayed the same over the last three years. Overall, 42 percent of respondents indicated that the number of paid FTEs increased over the last three years, 39 percent had stayed the same, and 19 percent had decreased. These results contrast with the Pollara results for the sector, with only 20 percent having increased and 62 percent staying the same. However, the decrease is more closely aligned at 13 percent. This could be the result of oversampling among large and very large organizations. Notwithstanding the variance, both results suggest an experience of increased and/or sustained demand for paid staff.

Survey respondents were also asked to predict the projected change in FTEs for the next three years. In response, 46 percent indicated that the number of paid full-time equivalents was expected to increase, 44 percent expected it to stay the same, and 11 percent indicated that it would decrease. Again, the expectation is that there will be an increased and/or sustained demand for paid staff in the sector.

FIGURE 13
CHANGE IN THE TOTAL NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES

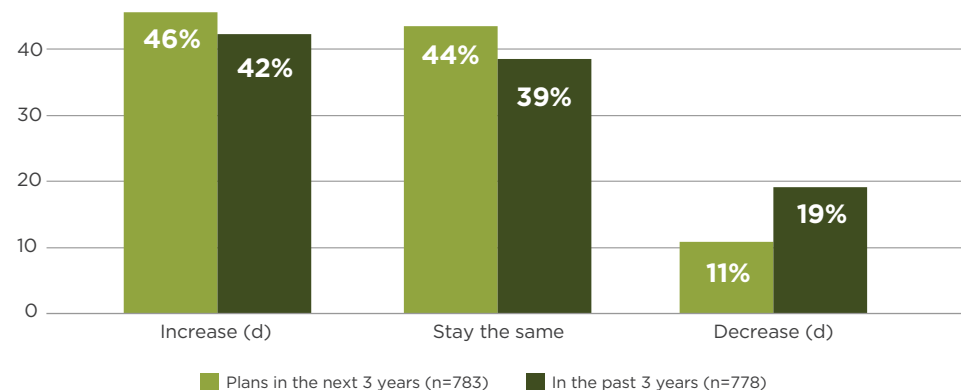


FIGURE 14
CHANGE IN THE TOTAL NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES TODAY COMPARED TO THE PAST 3 YEARS BY SUBSECTOR

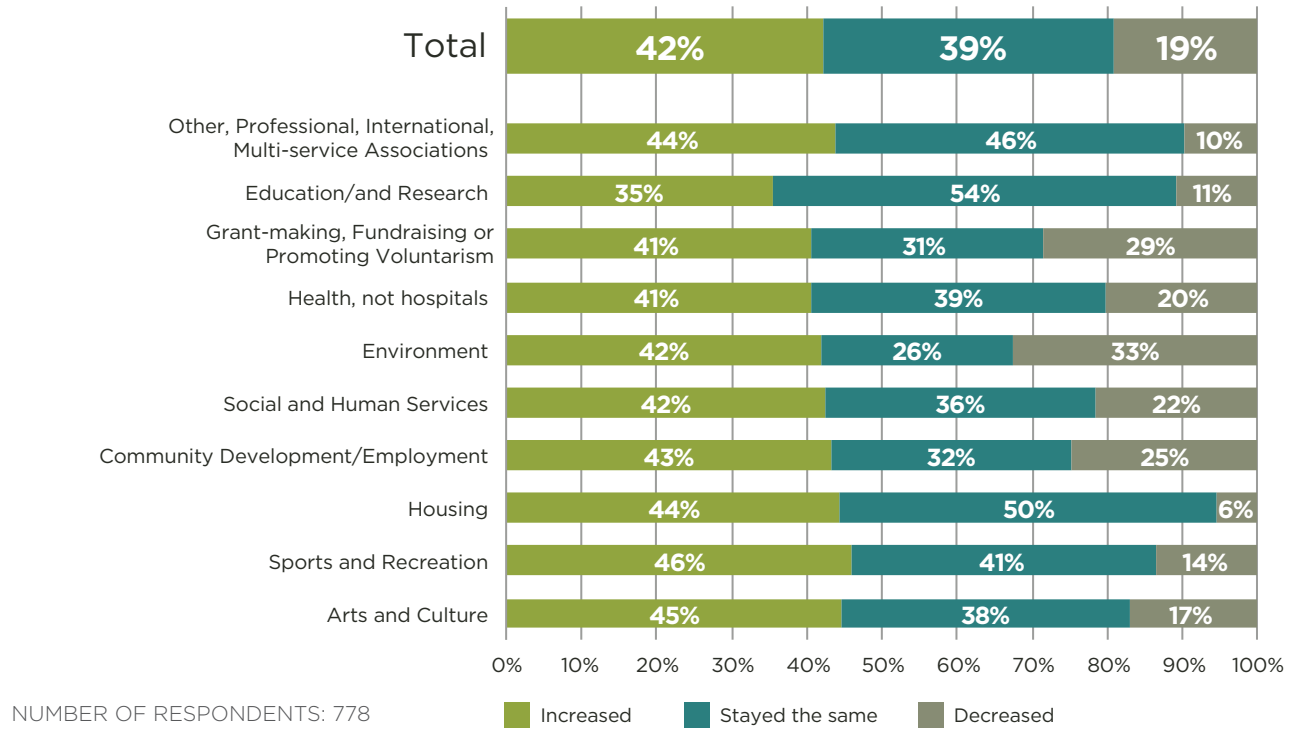
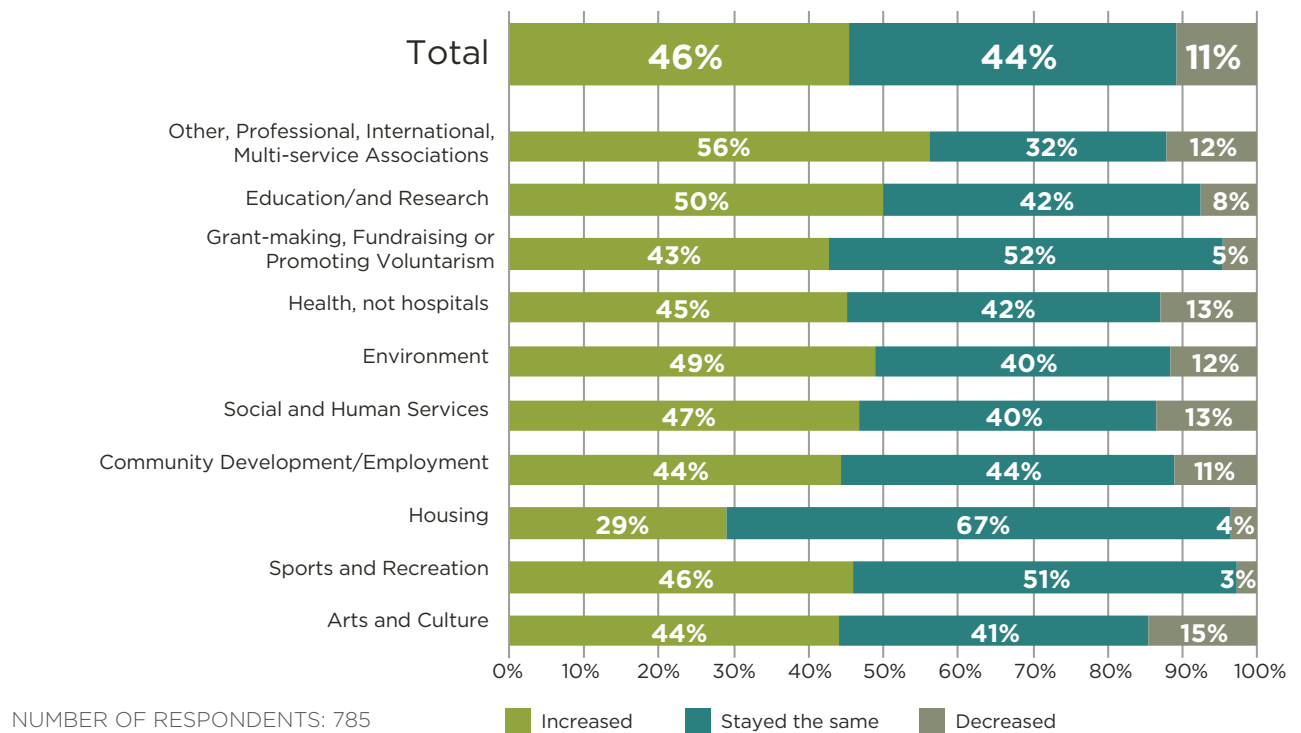


FIGURE 15
ANTICIPATED CHANGE IN THE TOTAL NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES IN THE NEXT 3 YEARS BY SUBSECTOR



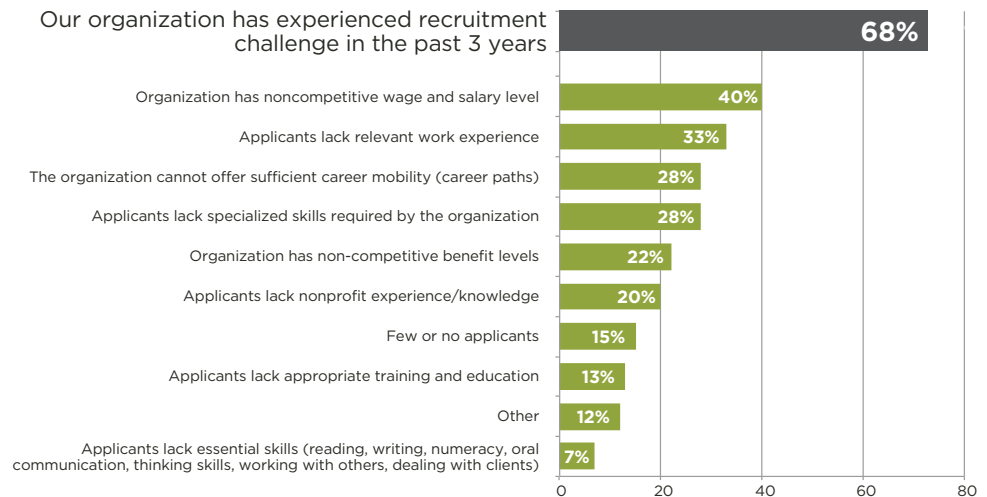
Although respondents expressed an expectation of maintaining or increasing staffing over the next three years, the *State of the Sector* report found that the majority of organizations identified funding and revenue generation as a key challenge for their operations. Two-thirds said that the amount of funding with which they operate makes it challenging to meet their immediate, day to day needs, and three-quarters said that the amount of funding on which they operate makes it a challenge to meet their organization’s mandate or operational objectives. As such, the expectation of staffing growth on the part of survey respondents should not be interpreted as an expectation of increased resources, but more likely a response to emerging demand for services.

The Challenge of Recruitment and Retention

Finding the right people and skills for an organization is a function of effective outreach and recruitment strategies. The ability to attract talent is strongly linked to being competitive in the broader labour market. Increased incentives (e.g. compensation, benefits, etc.) are directly related to both attraction and retention issues, and these were identified as a challenge for the sector.

Despite the findings presented above which indicate nonprofits are planning for growth in their staff size in the next three years, fully two-thirds (68 percent) of survey respondents indicated that their organization has faced at least one challenge in recruitment in the past three years. The top four challenges identified in attracting new employees were: non-competitive wage and salary levels (40 percent); applicants lacking relevant work experience (33 percent); applicants lacking specialized skills required by the organization (28 percent); and the organization cannot offer sufficient career mobility/career paths (28 percent).

FIGURE 16
TOP REASONS GIVEN FOR RECRUITMENT CHALLENGES



NUMBER OF RESPONDENTS: 810

In both key informant interviews and focus groups, it was widely accepted that organizational mission and alignment with individual personal values was a key driver of attracting new employees. But even where mission and values are compelling they are not seen to be sustainable solutions to retaining talented employees. There was expressed concern about overworking and underpaying staff, leading to burnout, health issues, and movement away from the sector.

“It’s hard to compete with salaries that school boards are offering for Early Childhood Educators.”

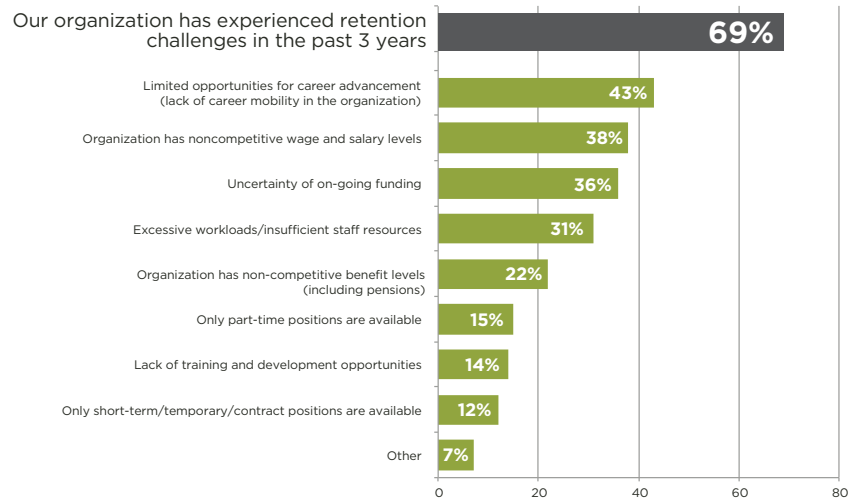
FOCUS GROUP PARTICIPANT-SOCIAL SERVICES

Some of the issues for us in social services is hiring, and a lot of difficulty hiring. We cannot hire people with the experience so we spend a lot of time training... over 25 training activities in one year...We are also finding that we don’t have the salary, and this is really difficult, because Children’s Aid comes over offering 10 or 15 dollars more an hour, so we train them and they go away.

FOCUS GROUP PARTICIPANT-SOCIAL SERVICES

On the question of retention challenges, the survey results similarly showed that 69 percent of nonprofit organizations have faced at least one retention challenge in the past three years. The top four reasons given included: lack of career mobility in the organization (43 percent); non-competitive wage and salary levels (38 percent); uncertainty of on-going funding (36 percent), and; excessive workloads/insufficient staff resources (31 percent).

FIGURE 17
TOP REASONS GIVEN FOR RETENTION CHALLENGES



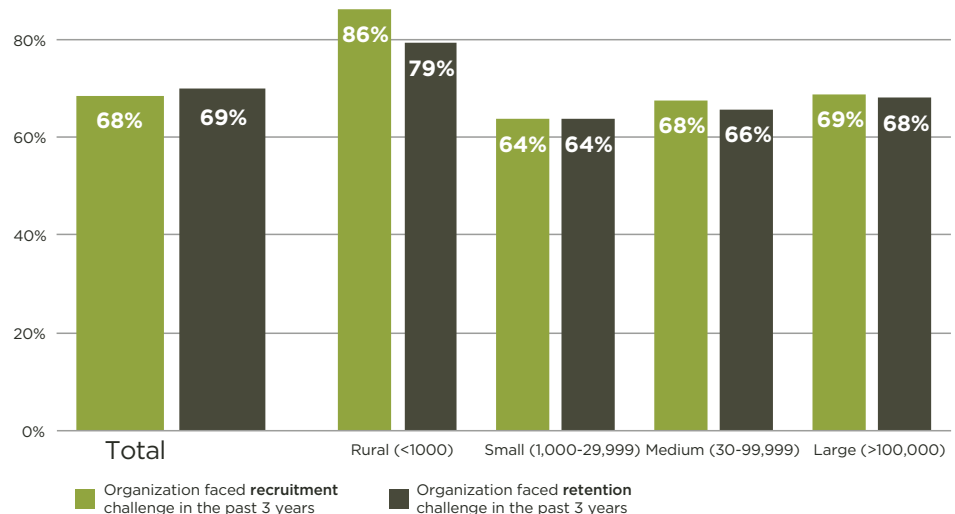
NUMBER OF RESPONDENTS: 810

Interestingly, non-competitive wage and salary levels and the lack of career mobility/ career paths are key challenges for both attraction and retention.

Very few young people want to work in NGOs. They don't consider these are 'real' jobs.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

FIGURE 18
PERCENTAGE OF ORGANIZATIONS FACING RECRUITMENT/RETENTION CHALLENGES IN THE PAST 3 YEARS BY SIZE OF COMMUNITY



NUMBER OF RESPONDENTS: 794

While nonprofit organizations in urban and rural communities face similar challenges, more organizations in rural communities faced challenges with both recruitment and retention. Focus group participants from smaller communities and even small urban centres expressed that they are dealing with a small and shrinking pool of potential staff members, as well as board members, volunteers, and donors as older generations retire and younger generations see more attractive opportunities in urban centres.

“We live in that cycle of “recruitment, training and losing workers”.... financially we are unable to compete with large organizations.”

FOCUS GROUP PARTICIPANT-ARTS AND CULTURE

“The most important thing for our sector is to make the NFP sector attractive, making it a career option for new blood, coming out of university.”

FOCUS GROUP PARTICIPANT-ARTS AND CULTURE

Challenges of recruitment and retention focused on non-competitive salaries and the lack of career mobility. The challenge of resources is not new, and in fact is consistent with other labour force and human resource research on the sector. The issue in fact is ongoing, and is rooted in funding realities. Career mobility however, as a factor, is a newer finding, and could be a function of the structure of the sector; that is, a majority of small organizations not having internal career path opportunities.

Overall, the challenges of both recruitment and retention speak to the need for a broad value proposition for employment in the sector; one that taps into the mission and value of the sector, and promises the opportunity to create, innovate, and have impact.

Strategic Opportunities for the Sector

- Develop a value proposition(s) for employment in the nonprofit sector: Competing for talent is a challenge across all sectors, and creating a value proposition that differentiates the nonprofit sector is a vital first step to successfully attracting and retaining talent. The sector’s ability to attract people through mission is an important asset, but there is competition with the emergence of social purpose businesses and multiple vehicles for expressing social and civic engagement. Building on this asset and shaping the proposition around the promise to create, innovate and have impact will be an essential approach.

- Increase the predictability and adequacy of resources/funding to ensure competitive salaries and benefits: Non-competitive salaries and benefits are key challenges for both recruitment and retention. Addressing this challenge is a function of making an effective case to funders about the value of the work. However, this is a long-term challenge for the sector, and significant effort on this front has been longstanding. Continued and renewed effort will be required.
- Explore how to create and deliver more career paths that clearly offer opportunity and growth: As a sector made up of small organizations, charting a career path can be a challenge. Many careers progress across different organizations and sometimes across sub-sectors, but navigated individually. Creating deliberate career paths that support individuals would contribute to a key recruitment and retention challenge.
- Research the skills mismatch: As an identified recruitment challenge, applicants lacking the necessary specialized skills suggests a skills mismatch. More granular labour market information is needed to deepen the understanding of this mismatch, including better profiles for jobs, particularly those not in regulated sectors.

Theme 2

Rethinking the Current Model of Leadership

Leadership in the nonprofit sector is multidimensional and the experience of leaders is not uniform. Their experiences are shaped by a variety of factors such as the sub-sector in which they work, and the size of their organization and its geographic location.

However, in exploring the vision of leadership, the realities of their experiences, and the “leadership gap” or disconnect between the two, there emerged commonalities that reflect systemic challenges and strategic opportunities within the nonprofit sector in Ontario.

The Leadership Vision

In order to explore the concept of leadership, focus group participants were asked to define what leadership in the nonprofit sector meant to them. Respondents described leadership on three dimensions: individual, organizational, and community.

At the individual level, leadership was characterized as providing vision and being charismatic, respected, and inspirational. Leaders were seen as providing strategic direction and leading as opposed to managing. They also spoke of leaders as adaptable, innovative and able to think outside the box.

Being the head of the organization is not being a leader. You are appointed by accident. So then the role is becoming the leader. It's to lead others, to earn the respect, earn the right to be a leader from others.

FOCUS GROUP PARTICIPANT-COMMUNITY DEVELOPMENT

Leadership to me needs to be innovative, seeing opportunity and grabbing those opportunities and testing them out.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

Leadership is a personality, a trait, skills, charisma, that you have to operate in a team, whereas the administrators are better at dealing with the mandates of government or the board. This type of leadership is different.

FOCUS GROUP PARTICIPANT-HEALTH

At the organizational level, descriptions of leadership focused on management roles: being able to navigate complex issues, set priorities, and delegate. Business skills were highlighted, particularly the ability to manage risk and be entrepreneurial. People management skills were also strongly noted: leading and empowering employees, and building models of “shared leadership.”

By nature we are businesses. We can think that we're not, but we are. It's changed. If you want to be a leader of the future, you have to be entrepreneurial. Your consumer base will demand it and your funder will demand it. And this means a difference in the leadership qualities that are expected of an ED.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

The executive director is the 'conductor of the orchestra' Jack of all trades... Capable of wearing different hats depending on the situation.

FOCUS GROUP PARTICIPANT-HEALTH

Finally, focus group participants discussed the role of nonprofit leaders as community leaders. This dimension was described in terms of a demonstrated commitment to mission, being an active listener to the community, working well with government and stakeholders, being well networked in the community, and being seen as a thought leader that speaks for the community.

Beyond the organization, there has to be a common vision. Our role is really to develop communities.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

The Reality of Leadership

Despite the visionary view of what leadership should be, both survey respondents and focus group participants painted a different picture of the reality. Many executive directors spoke of juggling the dual roles of both management and leadership, and therefore having to take on a wide range of activities from strategic planning to ensuring good governance practices to the management of human resources and finances, engaging community stakeholders, building collaborations and partnerships and managing volunteers, to name a few.

... It's such a fine balancing act. In small organizations you are the ED, the public relations, the human resources, the IT department. One day I was using my computer and the message pops up that there's a problem and it says, 'check with your IT administration' and I'm like, 'Oh, that's me, and I know nothing about it!'

FOCUS GROUP PARTICIPANT-COMMUNITY DEVELOPMENT

Because leadership means... for me it has to be innovative. And we become managers, and we have tremendous innovative organizations but pretty soon, they become about service deliverables, and managing, and the money. Leaders have to be innovative, personal, and they have to lead the board... It's being involved, personally involved in your community.

FOCUS GROUP PARTICIPANT-HOUSING

Survey respondents were given a list of functional areas required for the effective management of a nonprofit, and asked to identify who held primary responsibility for each within the organization. Below is the percentage of executive directors/CEOs who hold this responsibility:

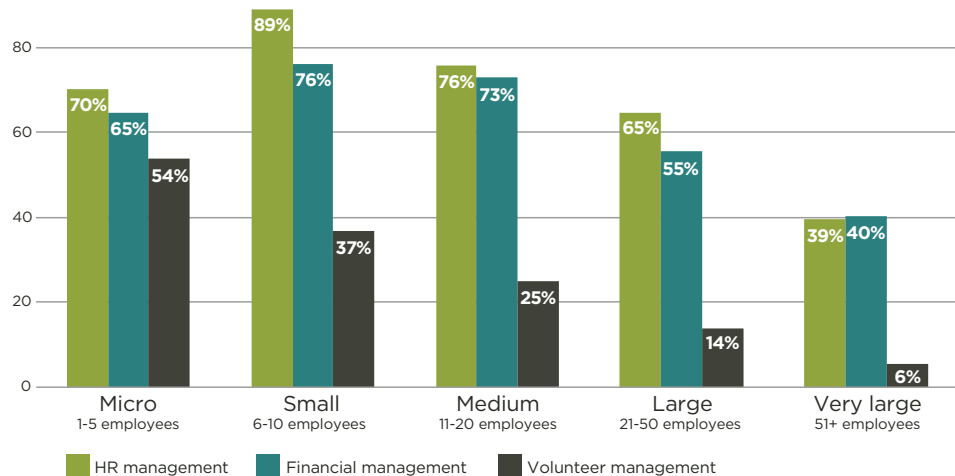
FIGURE 19
PERCENTAGE OF EDS/CEOS WHO HOLD PRIMARY RESPONSIBILITY FOR:



NUMBER OF RESPONDENTS: 810

The weight of responsibility demonstrated by these results is considerable. While the above shows a general trend toward multiple management functions resting with the executive director, the experience becomes somewhat differentiated when the size of organization is taken into account. While executive directors/CEOs working in larger organizations are more likely to have primary responsibility for government relations, engaging community stakeholders, collaborations and partnerships, leaders working in smaller organizations are left being primarily responsible for multiple management roles.

FIGURE 20
PERCENTAGE OF EDS/CEOS WHO HOLD PRIMARY RESPONSIBILITY FOR HR MANAGEMENT, FINANCIAL MANAGEMENT AND VOLUNTEER MANAGEMENT, BY SIZE OF ORGANIZATION



NUMBER OF RESPONDENTS: 792

In the previous chart, three areas of management responsibility are compared across different sizes of organizations. Responsibility for human resource management declines progressively and dramatically as organizations grow. The only exception to this is among micro organizations. However, given the size (1- 5 employees), it is likely that those who do not have human resource management responsibilities may not have staff beyond the executive director, and therefore are not applicable. The dramatic decline occurs between large and very large organizations, which also reflects a critical size factor where organizations in any sector begin to include professional human resources in their staff complement. But smaller organizations do not have the capacity for this, unless it is outsourced or services are shared with other organizations. However, results from the same survey question make it clear that outsourcing and/or shared services with other organizations is not a common practice, with less than 5 percent of organizations delegating human resource or financial management to either an outside consultant or through partnership with another organization. Human resource management and financial management in particular are highlighted because they are functions that can potentially be outsourced or managed through a shared services arrangement.

Most executive directors and sector leaders have been drawn to their organizations and their roles because of the mission. But these results present an untenable role for executive directors/CEOs to manage, and can effectively disconnect leaders from their vision of leadership as it relates to the mission of their work:

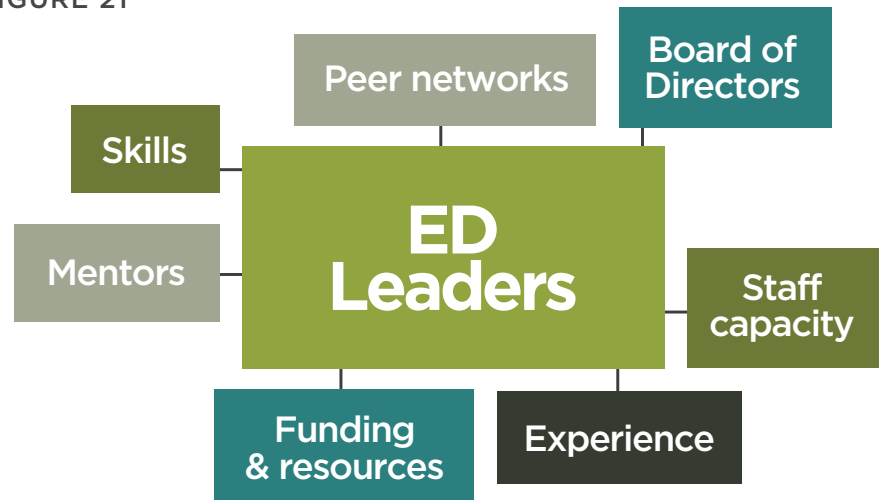
The current environment is forcing us to be less... and not leaders...We are overwhelmed with the amount of reporting, and on top of that, the funders need demonstration. Funders want money to go directly to the programs but they are forgetting that we need to have an apparatus to do that. We are constantly reacting and responding to keep our side, we are losing the battle of leadership. FOCUS GROUP PARTICIPANT-
COMMUNITY DEVELOPMENT/EMPLOYMENT

In order to shape how leadership is modelled and supported in the future, a deeper understanding of the enablers and constraints of leadership in the sector is needed.

The Disconnect: Enablers and Constraints

Across the focus groups, a number of themes emerged around how the disconnect between the vision and the reality of leadership in the sector is experienced. Multiple elements impact the capacity of leaders to deliver on their vision of leadership. These elements can be active constraints or enablers and include: the board of directors, funding and resources, access to peers and mentors, and staff capacity, skills and experience, among others.

FIGURE 21



Focus groups stressed the challenges of the voluntary board structure, including high turnover, lack of training and support for board members, lack of expertise and awareness board members have about their role, and how these challenges impact their capacity as leaders. Boards hold responsibility for succession planning and hiring the executive director/CEO. However, they were seen sometimes to have limited scope and experience to effectively determine the experience, competencies and skills that are needed in the executive director/CEO role, both to lead and to move the organization forward to the next level.

The board matters so much. I got hired only because they fired the previous ED, and I got pushed into this [job] without much training. Once you've got a strong base for your board, and they have helped to recruit [other board members], then it works. We have had excellent board members, and this makes it much easier to work with.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

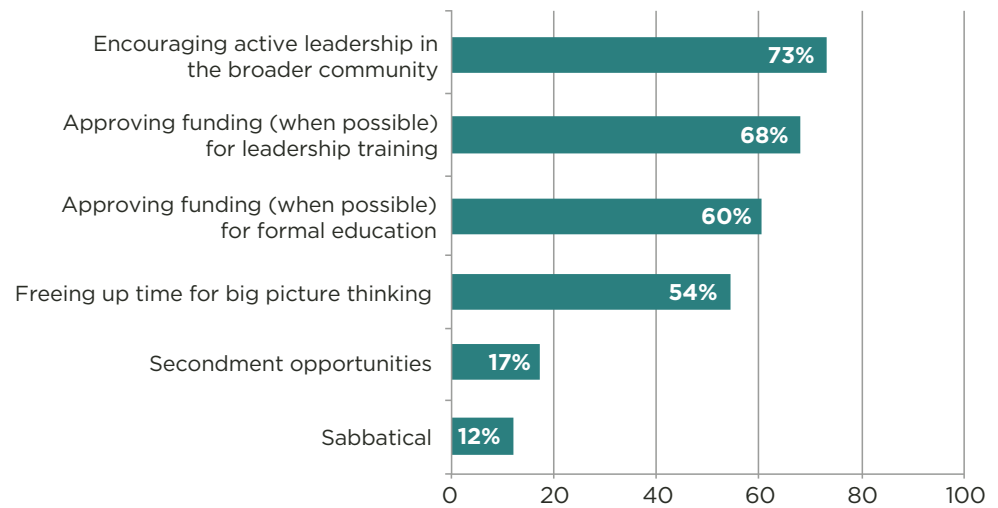
The board leads with blind faith in me... they say “she’s got it”- and I’m like, “no, I don’t.”

FOCUS GROUP PARTICIPANT-COMMUNITY DEVELOPMENT

The survey probed various areas of support that boards of directors can provide to both the exercise and development of senior leadership in organizations. Below are those areas in which respondents identified their board to be “very supportive” or “supportive”:

FIGURE 22

BOARD OF DIRECTORS ARE VERY SUPPORTIVE/SUPPORTIVE TO SENIOR LEADERSHIP IN THE FOLLOWING AREAS:



NUMBER OF RESPONDENTS: 810

Overall, these findings show that most boards share in the vision of leadership at the community level, and value the importance of developing the individual capacity of leaders to develop their competencies. Building on the strength of boards of directors as partners in the leadership equation of the nonprofit sector will be an important opportunity for future leadership development.

Focus group discussions highlighted the importance of resources and funding as a critical enabler/constraint to their ability to deliver on their vision of leadership. Some talked about senior leaders being pulled into front line service due to inadequate funding, and others were emphatic that the current levels and models of funding are undercutting the overall resilience of the organization, including their leadership:

Funders, you know, provincial governments, really need to hear what we're saying, they need to stop developing policies that erode the agency or organization. We need to know how much power we have collectively. To be drivers of the economy, builders of community... they are not on the ground and they are not going to get it.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

Focus group participants also identified peer groups and mentors as important enablers of their leadership capacity. For executive directors/CEOs this is not a new issue, but rather a function of the isolation of leadership. From the survey, 58 percent of respondents indicated that within the last three years they had participated in peer networks. 27 percent had been mentored by another nonprofit leader and 11 percent had been mentored by a leader outside the sector. However, the extent to which these activities were undertaken informally or formally was not clear.

Participants also talked about the demands for new skills-developing revenue generating activities, social entrepreneurship, results-based management—and how this puts pressure on leaders and organizations to find and develop these skills. However, this also led to a reflection on the definition of leadership itself, and the need to move toward models of shared leadership based on competencies.

I'm concerned that we're missing leadership from below, there is a tonne of leadership from below among volunteers and we miss that and we don't capitalize on that. We aren't creating an environment for innovation and taking things into action...

FOCUS GROUP PARTICIPANT-EDUCATION AND RESEARCH

Leadership as it is defined and understood by the sector's leaders, relates to vision and creating impact. However, the lived experience for many leaders in the sector is that they are focused on management—the multiple responsibilities that they hold primary responsibility for at the end of the day. In many cases this is the structural reality of small organizations that do not have the capacity to free up their leaders for leadership. As the sector develops strategies for leveraging leadership going forward, consideration will have to be given to the levers that enable leaders, and the very structures that free them up to exercise their leadership, or hold them back to function as managers.

Strategic Opportunities for the Sector

- Explore opportunities to restructure the role of ED/CEO: As the cumulative responsibilities of leaders become increasingly untenable, there is an urgent need to explore other models of leadership (i.e., shared leadership) and alternative organizational structures to support the role (e.g., shared administrative services, shared platforms).
- Support boards to be more effective partners in leadership: As a critical enabler to paid leadership in the sector, boards need to better understand their role, strengthen their expertise in governance and in the mission of the organization, and be prepared to support key needs of the organization (e.g., fundraising, board development/recruitment).
- Engage funders to be partners in strengthening the structures that support organizations and their leaders: Resources are a critical enabler of both organizational stability and leadership. Funders must begin to address the challenges that funding structures create and work with sector leaders to develop solutions.

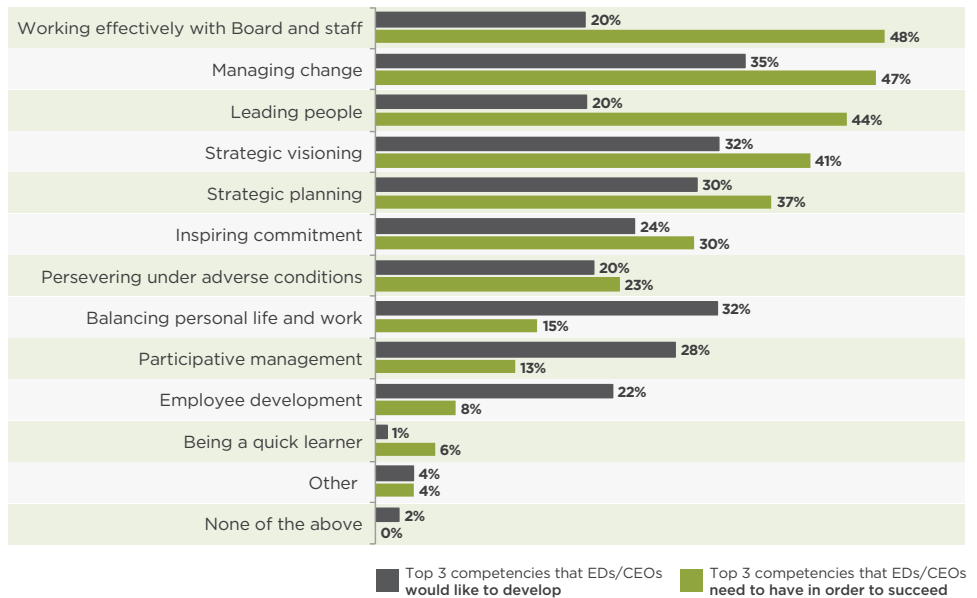
Theme 3

Leadership Skills and Competencies

Another dimension of the leadership gap facing the nonprofit sector is the competencies that are needed to navigate and lead in a complex and rapidly changing landscape. Generally, leadership competencies include the full range of skills, knowledge and behaviours that are needed to lead effectively. The identification of the particular leadership competencies required for the nonprofit sector, however, is somewhat underdeveloped.

The survey explored what sector leaders in Ontario identified as the competencies they needed most in order to succeed. From a long list of general leadership competencies, the top four identified included: working effectively with board members, managing change, leading people, and strategic visioning. The competencies they most want to develop were identified as managing change, strategic visioning, and balancing personal life and work.

FIGURE 23
COMPETENCIES NEEDED TO SUCCEED AS AN ED/CEO



NUMBER OF RESPONDENTS: 757

Working effectively with the board as a priority competency reinforces the importance of this relationship as a critical enabler of leadership, as discussed in the previous section. Again, this was an issue that was flagged in all of the focus groups, and one that can be a challenge and require particular competencies to manage effectively.

Ideally visionary stuff is supposed to be happening at the board of directors level, but most often it falls upon the ED to do everything, manage everything, and I think this is the area that needs to be addressed in each organization, on who takes on what role. I work with a board that is visionary but they don't come up with a vision that's feasible... the leadership piece is about values and about vision primarily... the ED's job is to help the board to do that.

FOCUS GROUP PARTICIPANT-HEALTH

Although only 15 percent of respondents identified balancing personal life and work as a top competency needed for success, 32 percent identified it as competency they felt they needed to develop. This response may be an important indicator of the need to rethink the model of leadership in place, and whether current structures and expectations are sustainable.

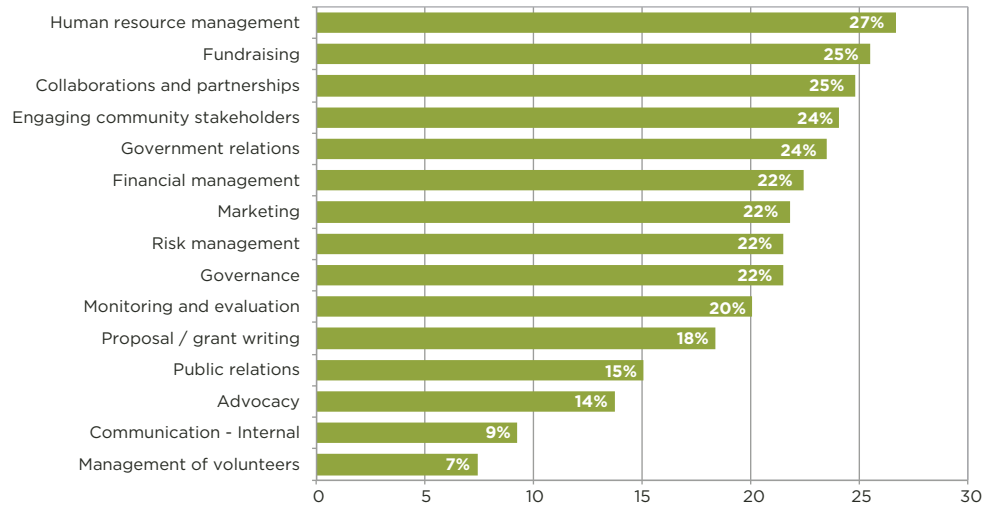
Finally, the fact that managing change and strategic visioning were identified as priorities for both needed competencies and areas most in need of development speaks to a possible gap and an important opportunity for support and development of senior leaders.

Skills for Effective Management of Organizations

The technical skills required to lead organizations fall under a number of functional areas of management. Because such a large proportion of nonprofit organizations are small, it is often expected that the executive director/CEO will have these skills in order to be an effective leader.

Among the various functional areas identified above, respondents indicated that human resource management, fundraising, collaboration and partnerships and engaging community stakeholders, among others, were areas they wanted to further develop. However, there is a fairly even distribution of responses, and a deeper disaggregation by size of organization and possibly sub-sector would be needed to identify if there are priority areas for development that largely relate to the management functions of persons in the senior paid position within an organization.

FIGURE 24
TOP 3 FUNCTIONAL AREAS THAT EDS/CEOs WOULD LIKE TO DEVELOP TO BE A MORE EFFECTIVE LEADER IN THEIR ORGANIZATION

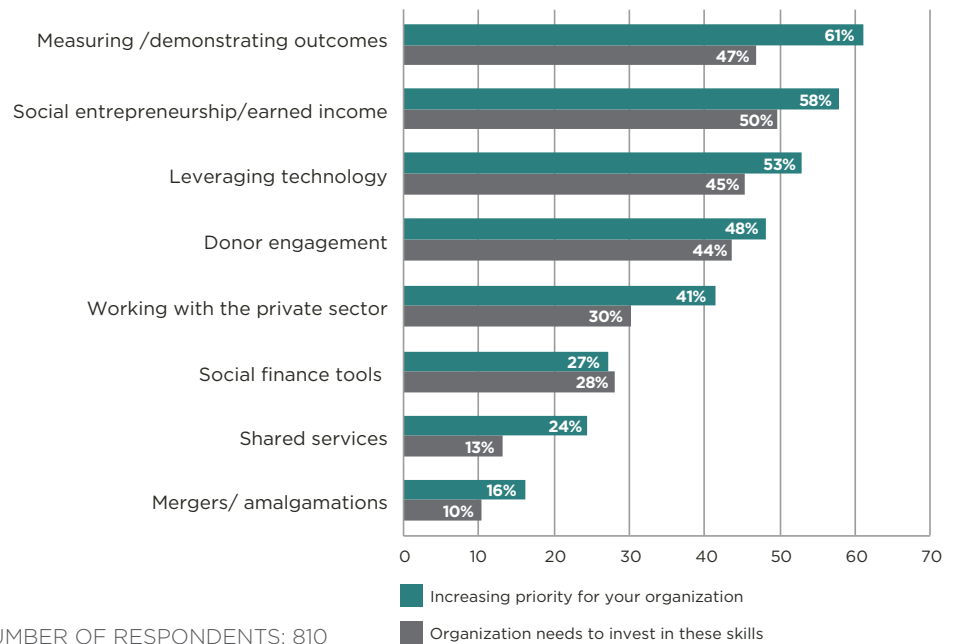


NUMBER OF RESPONDENTS: 757

Emerging Priorities for Skills Development

As the environment in which nonprofit organizations operate changes, there are new demands and drivers that are impacting the skills and knowledge needed to provide effective leadership. A number of these trends and emerging realities were identified in the key informant interviews, and included in the survey to test their relevance with the current leadership.

FIGURE 25
EMERGING PRIORITIES AND SKILLS INVESTMENT NEEDED



NUMBER OF RESPONDENTS: 810

Everyone knows we do the good work, but now we're being asked by the government to have 'metric' on it... if you want to be a leader of a future, you have to be entrepreneurial, your consumer base will demand it and your funder will demand it—and this means difference in leadership qualities that's expected of an ED. And it needs re-thinking. A new direction is coming, because it's going to become more competitive in getting resources.

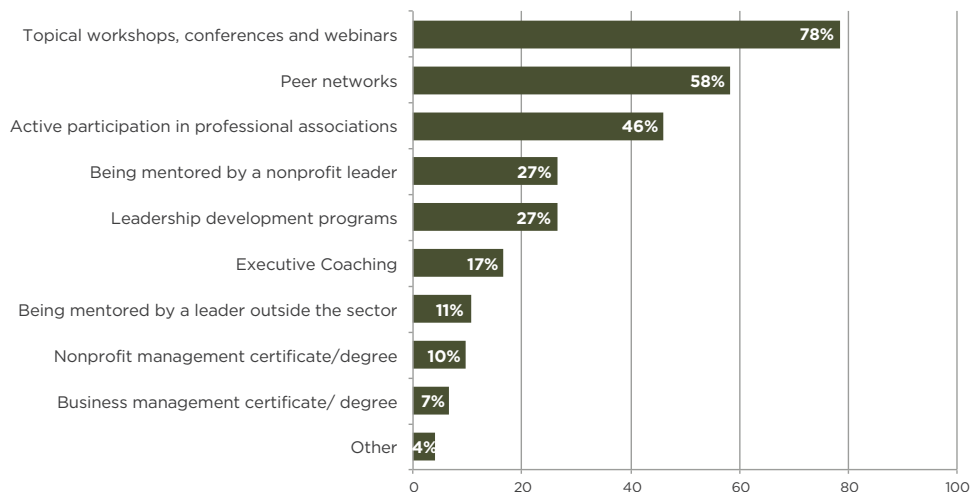
FOCUS GROUP PARTICIPANT-HOUSING

Measuring and demonstrating outcomes, social entrepreneurship, and leveraging technology were the top priorities identified, which also reflects the effect of key drivers impacting the sector. These are critical trends that are shaping the nonprofit landscape and will have significant impact on individual organizations and the sector more broadly. It is important to note that while these are emerging priorities and an investment in skills has been identified, the investment may be best directed in the organizational or sector capacity. The skills do not need to reside in executive directors/CEOs, but perhaps more effectively through a model of shared leadership.

Leadership Development

Having identified areas for developing needed competencies, general management skills required, and also emerging priorities that will require new skills sets, the survey explored what kinds of leadership development activities nonprofit sector leaders had undertaken in the past three years, and how effective those activities had been for their role.

FIGURE 26
PARTICIPATION IN LEADERSHIP DEVELOPMENT ACTIVITIES IN THE PAST 3 YEARS



NUMBER OF RESPONDENTS: 757

By far, the most common leadership development activities identified were workshops, conferences and seminars, peer networks, and membership in professional associations. Attaining a business management certificate/degree, or a nonprofit management certificate/degree were the least common leadership development activities. Some focus group participants noted concerns around the relevance of certificate and degree programs that are not focused on the nonprofit sector:

The formal leadership training provided by learning institutions draws on the private sector model; they don't adequately reflect the multiple requirements and competencies required for leading in the non-profit sector.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

I don't think there are any developed programs, there's the MBA, a leadership program, and continuing education at Western, but what is the magic program to create an ED of a big organization? I don't know.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

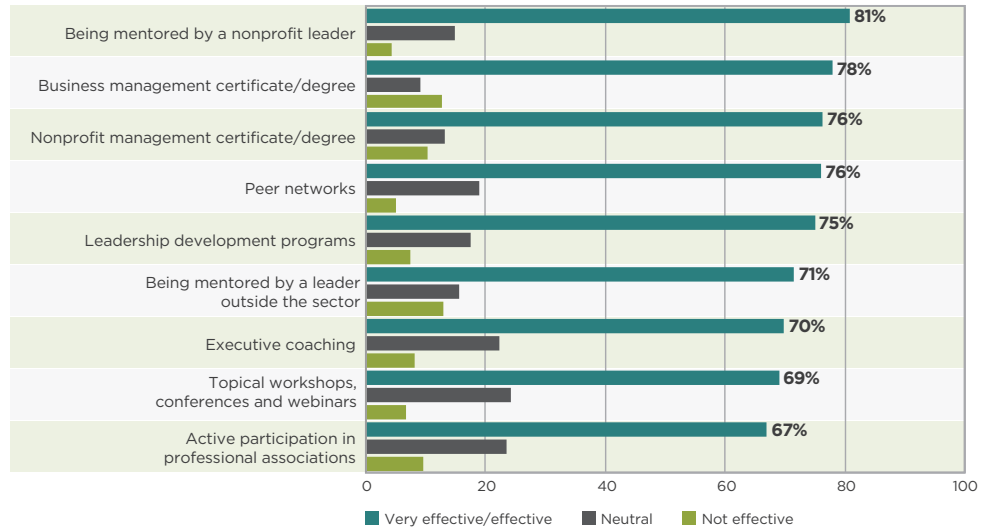
I took a course independently but also for my role because it suited my interest—it was about how to be a leader generally, and the course was broken into a number of topics, about leadership around people, leadership around HR, leadership around being innovative, and those are all important things in the nonprofit sector.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

Focus group discussions also highlighted challenges of access, either geographically or linguistically for Francophone communities.

However, in terms of effectiveness, mentorship by a nonprofit leader, business management certificate/degree, and nonprofit management certificate/degree were ranked highest in the survey.

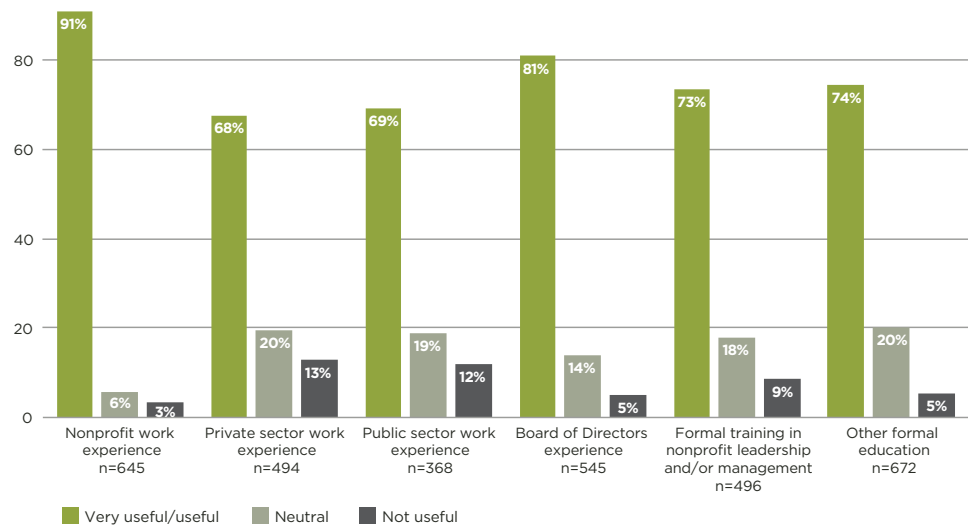
FIGURE 27
ASSESSMENT OF THE EFFECTIVENESS OF LEADERSHIP ACTIVITIES TO CURRENT ROLE



NUMBER OF RESPONDENTS: 757

In an effort to broaden the scope of activities that shape leadership skills and style, survey respondents were asked about other professional experiences and formal education.

FIGURE 28
ASSESSMENT OF EXPERIENCES SHAPING NONPROFIT SECTOR LEADER'S LEADERSHIP SKILLS AND STYLES



The most useful experiences in shaping leadership skills were those rooted in nonprofit work; first being paid employment and second being experience on a board of directors.

Understanding the competencies that leaders will need five years from now requires an informed sense of what the context will be. In an environment of rapid change and multiple drivers, the sector as a whole will be challenged to consider the priorities and to identify emerging trends. In order to plan effectively, it will be critical to identify the sector-specific competencies needed by leaders and to deepen the overall understanding of how these can be developed and supported. Defining and developing leadership competencies has been identified as a priority human resource practice, and must be seen as a vital step forward for the nonprofit sector. Boards of directors are especially important players as they have the task of hiring the future leaders of organizations. Supporting their capacity in this process will be critical.

Strategic Opportunities for the Sector

- Create leadership development and training opportunities designed for the nonprofit leader of the future: leadership programming has been largely designed around the needs of other sectors, but nonprofit leadership has particular needs and will face new challenges in the coming years.
- Develop job profiles with corresponding competencies for leadership in the sector: the job profile of a nonprofit leader is complex and varies across sub-sectors, but the identification and description of leadership competencies in the sector is underdeveloped. This report provides an initial scan of competencies needed by leaders, but there is more work to be done to deepen the understanding of these competencies and those that will be needed in the future.
- Restructure the job of the executive director so that more time is allocated to the leadership function: there is a need to redistribute or outsource management functions as possible, in order to allow leaders to lead and managers to manage.

Theme 4

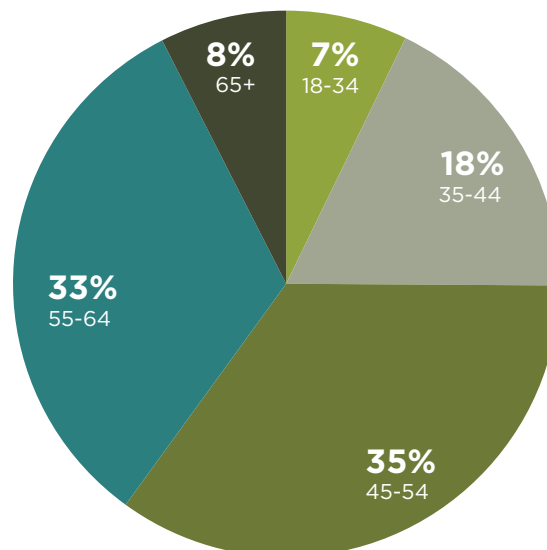
Where Will Future Leadership Come From?

The focus of a human capital strategy is on ‘critical workforce segments’ or those individuals that generate a disproportionate share of the current and future value for the organization. In the previous sections, the current leadership was examined in terms of its skills, knowledge and behaviours (i.e., competencies), and enablers and constraints to leadership. This section begins by looking at today’s leaders, examining the following questions: What is the current profile of leaders? What has been their path to leadership? How many more years do they plan to work in their current role and in the nonprofit sector? But, in order to be future looking, there is also a need to examine where the future leaders of the nonprofit sector will come from. Are organizations preparing for succession? How are nonprofit organizations developing the leadership pipeline and attracting future leaders to the sector?

A Profile of Today’s Leaders

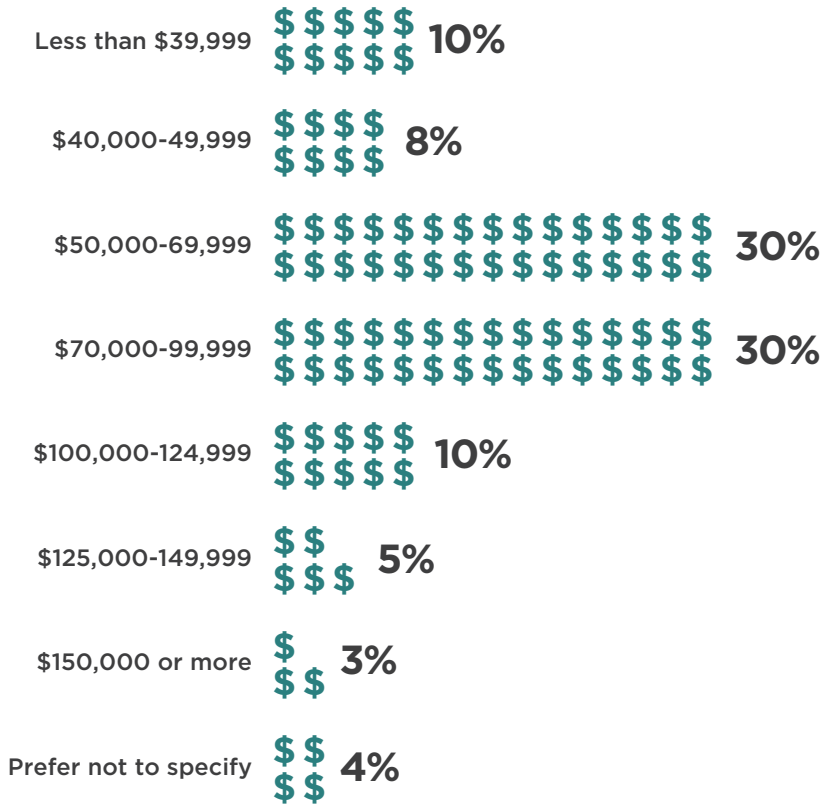
Below is a profile of nonprofit sector leaders (executive directors/CEOs, directors and senior managers) who completed the survey. Of these respondents, 72 percent were women and 28 percent were men. More than 68 percent of sector leaders who completed the survey are between 45 and 64 years of age; 8 percent are working above the retirement age of 65. These leaders are highly educated (73 percent have a Bachelor’s degree or higher), and 78 percent are making less than \$100,000 per year.

FIGURE 29
AGE OF NONPROFIT SECTOR LEADERS



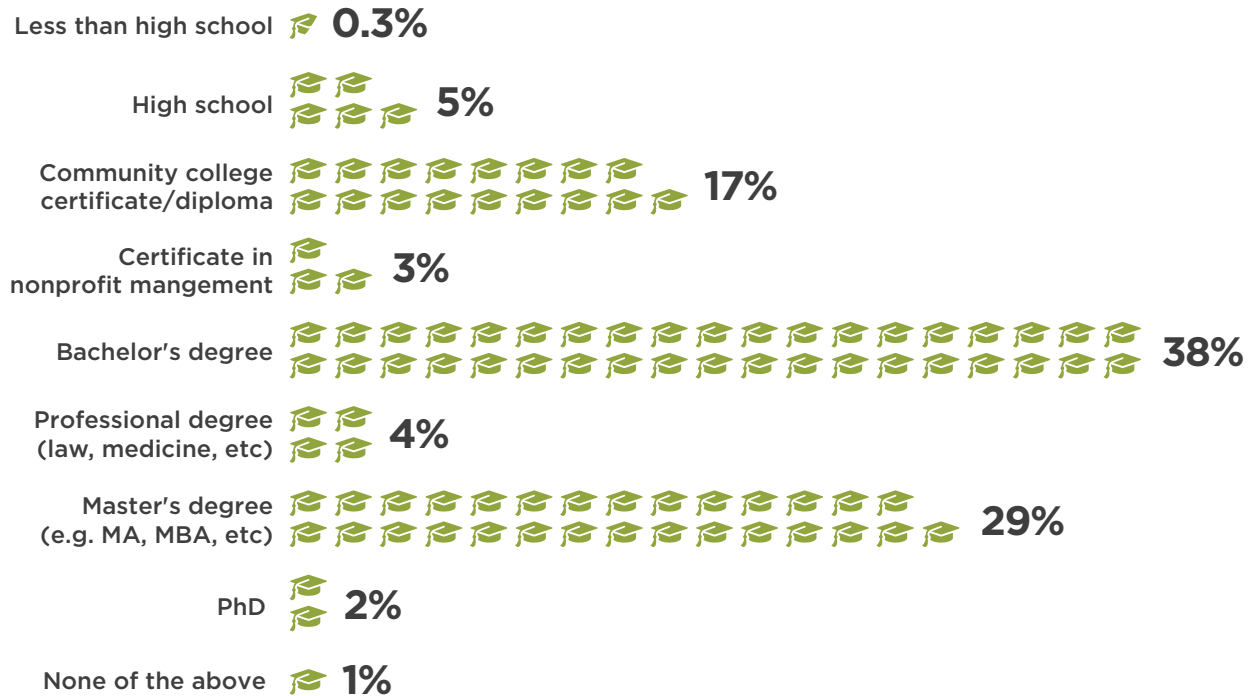
NUMBER OF RESPONDENTS: 750

FIGURE 30
ANNUAL SALARY* OF NONPROFIT SECTOR LEADERS



*Prorated annual salary excludes benefits and other non-monetary compensation
NUMBER OF RESPONDENTS: 757

FIGURE 31
EDUCATIONAL LEVEL OF NONPROFIT SECTOR LEADERS

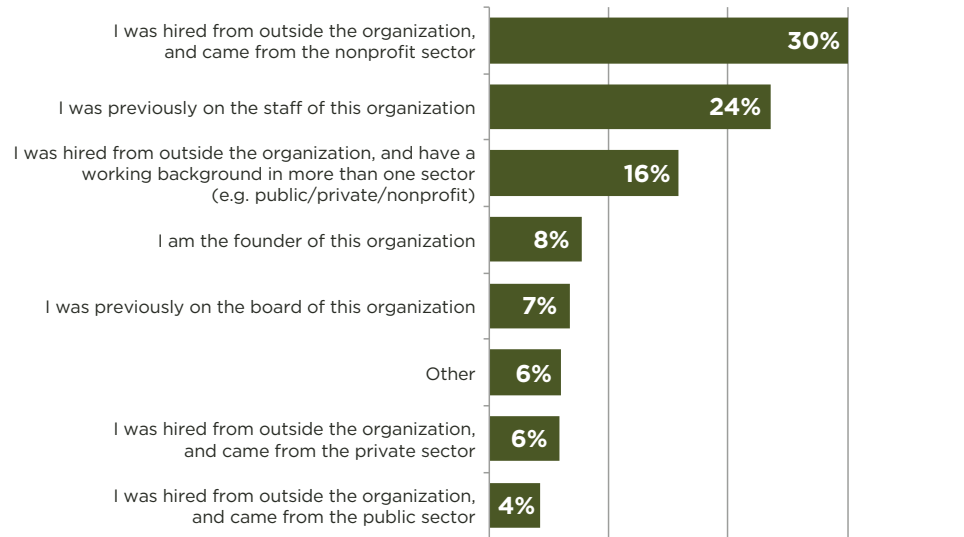


NUMBER OF RESPONDENTS: 757

Today's Leaders: Their Path to Leadership

To better understand the work experience and career path of current leaders in the nonprofit sector, survey respondents were asked about their path to their current position. On average, they had 8 years of work experience in their current role and 19 years of cumulative experience working in the sector. Almost one-quarter came from within the organization. Only 6 percent of surveyed leaders had come into their current role directly from the private or public sector, but 16 percent had work experience in more than one sector. The majority, roughly 70 percent, have come to their role from within the organization or sector.

FIGURE 32
NONPROFIT SECTOR LEADERS' CAREER PATH TO CURRENT POSITION



NUMBER OF RESPONDENTS: 746

Of those who were hired into their current role from the nonprofit sector, but from outside the organization, fully one-quarter (26 percent) had been executive directors at another nonprofit organization, and almost one-half (47 percent) had held a management position at another nonprofit organization. The remaining 25 percent had worked in a wide array of roles including project/program staff, administration, creative, fundraising, academic, and board membership.

The overall story of the leadership trajectory in the nonprofit sector in Ontario is largely internal to the sector, often across organizations, and not with graduated stepping stones. The anecdotal reflections of focus group participants told a story of accidental career paths, filled with steep learning curves and developmental challenges.

I left the teaching world because I didn't like it. I did a lot of nonprofit volunteer work and when I had kids I made a calculated decision to leave teaching... and I don't regret it for a moment.

FOCUS GROUP PARTICIPANT-HEALTH

I literally got parachuted into the organization and I was trying to find my way.

FOCUS GROUP PARTICIPANT-ARTS AND CULTURE

I was recruited to this position, and the ministry asked me to kick start it.

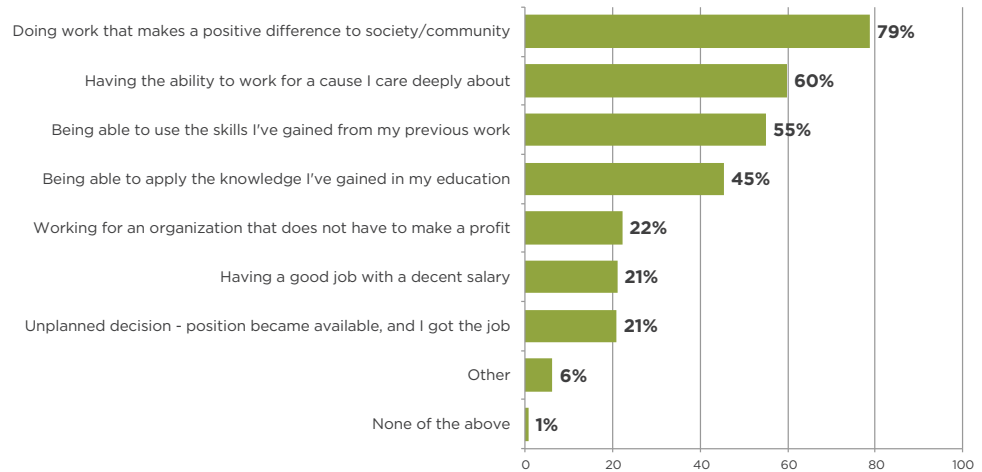
FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

Basically, I'm very new. I'm part of the current ED's succession plan. She wants to ease into retirement, and so she voluntary split her income into half. I want to say I'm working part-time, but I'm actually working full-time.

FOCUS GROUP PARTICIPANT, EDUCATION AND RESEARCH

When asked in the survey what motivated them to work in the nonprofit sector, 79 percent of respondents indicated that they wanted to do work that made a positive difference to society/community, and 61 percent indicated that they wanted to have the ability to work for a cause that they cared about. They are a group that is driven by mission.

FIGURE 33
REASONS WHY NONPROFIT SECTOR LEADERS CAME TO WORK IN THE SECTOR



NUMBER OF RESPONDENTS: 774

Leadership Gap: An Impending Exodus?

A critical dimension of the leadership gap facing the nonprofit sector is the impending exodus of leaders. 40 percent of leaders surveyed are over the age of 55. Not surprisingly, when asked how many more years they planned to continue working in their current role, 60 percent of all respondents indicated they planned to leave within the next five years.

I'm in my 50s and I don't think I would want to manage people again. But I think what I see in the community, [some of the] top people are set to retire in the next five years. I have a lot of colleagues that are ready to retire and [they are] incredibly knowledgeable people, and are taking a lot of knowledge with them. I think there's going to be a huge hole, and it's very concerning. And the idea of merging and succession planning really needs to be thought through and discussed...

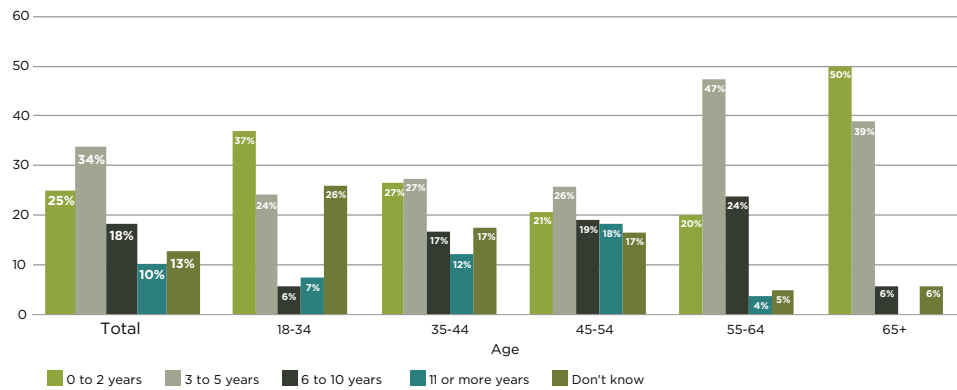
FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

I'd really like to retire—or do part-time CEOing. I have one staff who is good at the job but she doesn't want my job because I look stressed... 90 percent in the face.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

When asked about continuing to work in the nonprofit sector, only 46 percent of respondents saw themselves continuing beyond the next five years. As suggested in the focus group comment above, this represents a real threat to the transfer of institutional knowledge and history, which can be a vital asset for organizations and for the communities they serve. This exodus of knowledge and skills will impact not only individual organizations, but potentially the sector more broadly.

FIGURE 34
NUMBER OF YEARS NONPROFIT SECTOR LEADERS PLAN TO CONTINUE WORKING IN THEIR CURRENT ROLE BY AGE

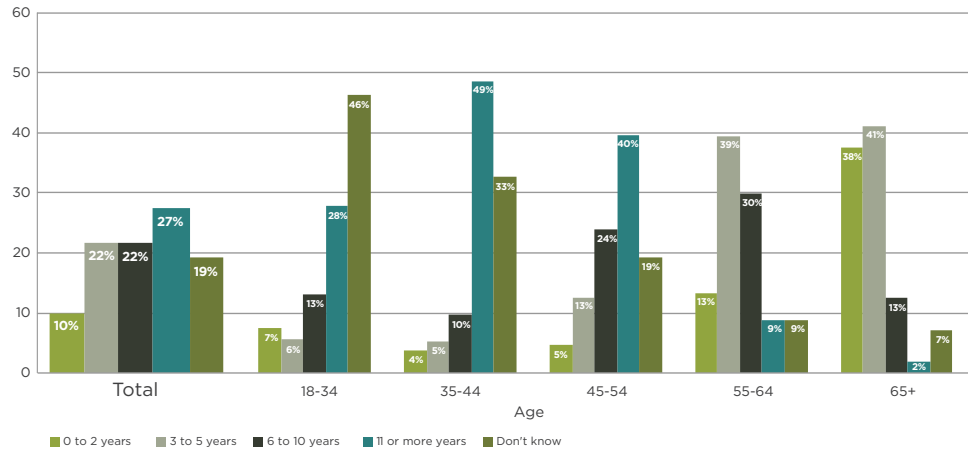


NUMBER OF RESPONDENTS: 732

But it is not just those who are planning to retire who are thinking about leaving their role. The above chart breaks out the number of years leaders plan to continue working in their current role by age, and this tells a story of mobility. More than half of leaders under the age of 44 plan to remain in their current role for less than five years. This can have both positive and negative implications for organizations. On the one hand, there are the concerns for continuity and loss of institutional knowledge as noted above. But on the other hand, change of leadership offers the potential for organizational renewal. As it relates to the capacity of the sector more broadly, it is important to consider whether leaders are planning to leave their roles, or the sector altogether.

Beyond their individual role, leaders were asked about their intention to remain in the sector more broadly. On average, almost half (49%) of leaders intend to continue working in the sector for at least the next six to ten years. Looking at the breakdown by age, there is also a promising story of continuity. Among leaders under the age of 45, more than 50 percent believe they will continue in the sector for at least six years or more, and many more “don’t know.” This unknown is an important focus for any strategy that is focused on leadership renewal and development.

FIGURE 35
 NUMBER OF YEARS NONPROFIT SECTOR LEADERS PLAN TO CONTINUE WORKING IN THE SECTOR BY AGE

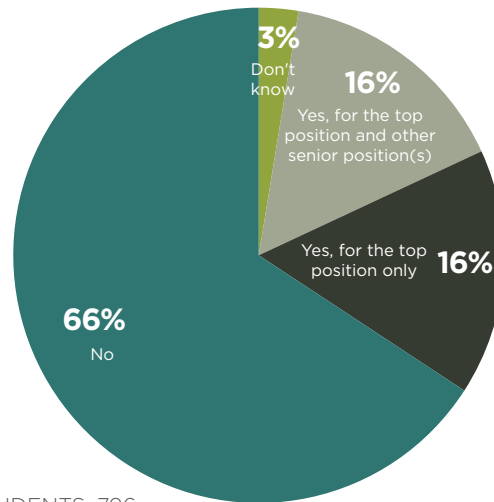


NUMBER OF RESPONDENTS: 738

Is There a Plan for Succession?

With significant indications of leaders leaving their roles, the important question to nonprofit organizations and their boards of directors is, “Do you have a plan?” The short answer to this question from the survey is no. Fully two-thirds of respondents indicated that their organization did not have a formal succession plan for senior leadership.

FIGURE 36
PERCENTAGE OF ORGANIZATIONS WITH A FORMAL SUCCESSION PLAN



NUMBER OF RESPONDENTS: 796

Planning for succession is a critical element not only for good human resource planning, and is also an essential part of good governance. In light of the current demographic trends and the findings above related to intended timelines for leaving current roles, it is of increasing urgency for individual organizations and the sector as a whole to plan for this impending transition.

A succession plan as such may seem beyond the capacity of small organizations and may therefore account for negative responses. However, succession planning may look different to various sizes and kinds of organizations. Having a succession plan, of some form, helps to identify the competencies needed to lead the organization into the future and manage the skills gaps that will arise when employees in key positions leave the organization. However, as was noted by a number of participants in focus groups, a plan is only a plan—execution of the plan is another story. From the focus groups, a number of different approaches were highlighted:

We went with the model of having co-EDs... our thing was that we needed someone to properly train, but we didn't have the money to pay them. So this is what worked out because when my co-director took the job, she was pretty much told that this was a part-time job, of course we all know that what we do is not a part-time job.

FOCUS GROUP PARTICIPANT—EDUCATION AND RESEARCH

Well, what you do is you basically groom the person. As long as they know when they plan to leave, you can be prepared... we'll start having you do more and more, so that by the time they're leaving, you're already doing it.

FOCUS GROUP PARTICIPANT-EDUCATION AND RESEARCH

...it's about balance, fundamentally about the team... ED is just a title, if we are going to get it right, if we are going to manage the changes, then it's about the team approach moving forward, and so that is a different paradigm... We are facing the same trends as the private sector, so when we talk about succession planning, it's not about who is the next ED, but it's a shared decision making model, how is the organization planning on growing and changing.

FOCUS GROUP PARTICIPANT-EDUCATION AND RESEARCH

It's about the incubation of leaders...we are not going to have succession without that. I hear a lot of people saying "I'm not making enough, so I'm leaving." We are seeing a lot of that, people come into the position for six months and then they leave... So I think the constraints we may be seeing now will be seen more in the future if we don't continue to mentor and incubate.

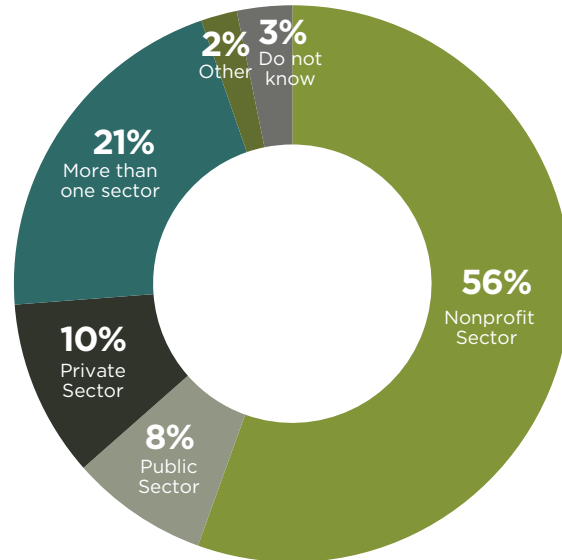
FOCUS GROUP PARTICIPANT-EDUCATION AND RESEARCH

There are a number of inherent challenges to planning succession in a sector made up largely of small organizations. Many boards will struggle to plan beyond the current leadership; but with many organizations in survival mode, long term planning can be very difficult. As strategies are considered and developed, it will be important to explore various approaches to succession, including the development of a leadership pipeline within organizations, across the sector, and beyond, as well as models of co-leadership and other approaches.

The Pipeline: Where Will Future Leadership Come From?

A common first question in succession planning is to ask who within the organization might be a candidate, and most often this means looking at senior staff or management who comprise the internal pipeline of potential leaders. But in a sector full of small organizations, the next level of sourcing often has to look at candidates from other similar organizations within the sector who would have the required knowledge and skills. In order to get a picture of the level of movement within the sector and also across other sectors at the management level, the survey probed the previous employment of recently hired management employees:

FIGURE 37
PREVIOUS EMPLOYMENT OF MANAGEMENT EMPLOYEES HIRED IN THE LAST YEAR



NUMBER OF RESPONDENTS: 436

The majority of hires at the management level have come from within the nonprofit sector, with almost 40 percent having experience in other sectors. The reality of management-level talent crossing sectors means that the nonprofit sector is benefiting from a cross-pollination of skills and experience. But it also means that the nonprofit sector is in competition with other sectors and this creates challenges for recruitment and retention.

On this question, there was some variance across sub-sectors, with health, housing and social and human services having 72 percent, 69 percent and 66 percent of management hires, respectively, coming from within the sector.

The Internal Pipeline—Supporting High Performers Towards Leadership

When asked if organizations could identify an employee or board member who had the competencies to succeed the current executive director, 48 percent said “yes.” For individual organizations, this offers an important opportunity to cultivate, develop and groom existing talent.

In the survey, “high performing” employees were defined as employees that outperform in their roles and have the potential to develop as leaders. These employees are often the pipeline to future leadership. At the same time, it is not just the performance level of these employees that determines their leadership potential, but also the opportunities and support that the organization provides. In order to gauge the current level of support, survey respondents were asked how often employees are engaged to discuss their career goals with their supervisor, whether “high performing” employees are deliberately identified in their organization, and what challenges organizations are facing in supporting high performers toward leadership positions.

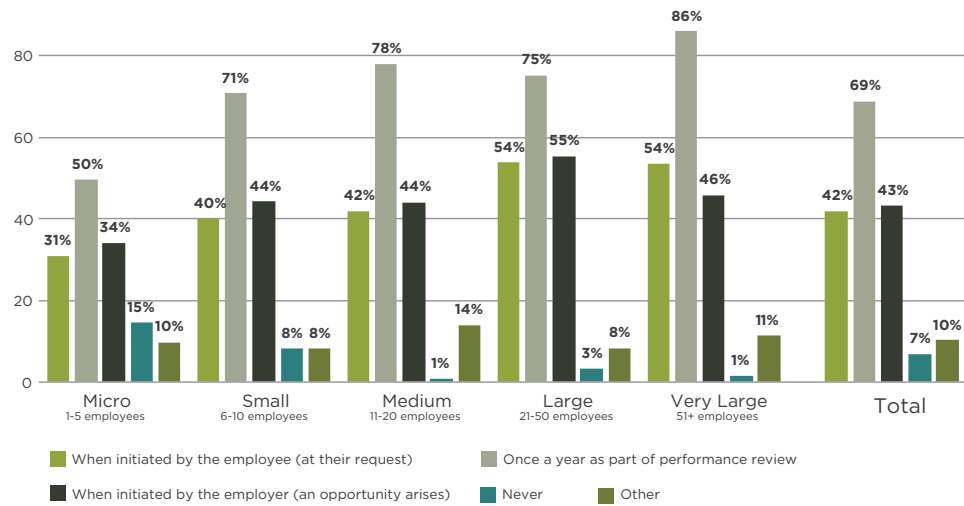
Organizations that deliberately identify ‘high performing’ employees

YES	NO	DON'T KNOW
63%	32%	5%

The fact that almost two-thirds of organizations deliberately identify “high performing” employees is promising. It suggests that there is some level of planning for the future, and intention to invest in these employees. An important opportunity for identifying and engaging high performers is a deliberate and focused conversation about their individual career goals. The most common and likely opportunity for this conversation is within the context of an annual performance review with their supervisor. Additionally, this may happen in response to either the employee’s or the organization’s needs. Survey respondents were asked about the opportunity for engagement in their organizations:

FIGURE 39

OCCURENCE OF DELIBERATE DISCUSSION ABOUT EMPLOYEE CAREER GOALS BY SIZE OF ORGANIZATION



NUMBER OF RESPONDENTS: 792

Not surprisingly, structured opportunities through the annual performance review process are a reflection of the human resource capacity of organizations, which is usually a function of size.

While compensation and job security are critical factors in the ability of individual organizations and the sector as whole in retaining high performers, providing a career path and opportunities for individuals to develop their leadership skills is both a challenge and an important strategy for retention and building the pipeline. The survey explored whether and how organizations are encouraging leadership development among their high performers. The three most common activities offered to high performing employees were attendance at conferences/other sector events, stretch assignments, and paid time off to attend training/professional development activities.

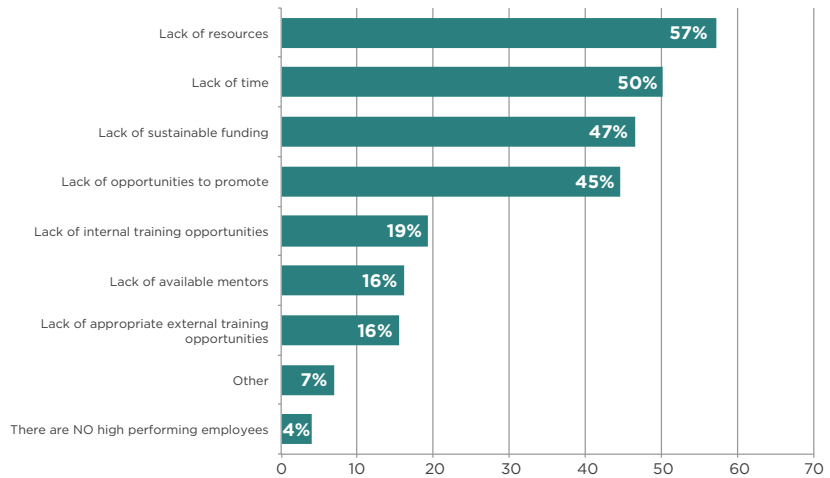
In a sector increasingly under financial strain, it is not surprising that the most common strategies are also among the more economic choices. In fact, when asked about the challenges organizations face in developing high performing employees, lack of resources was the most common reason given:

FIGURE 40
HOW ORGANIZATIONS ENCOURAGE LEADERSHIP DEVELOPMENT FOR 'HIGH PERFORMING' EMPLOYEES



NUMBER OF RESPONDENTS: 810

FIGURE 41
TOP CHALLENGES ORGANIZATIONS FACE IN DEVELOPING 'HIGH PERFORMING' EMPLOYEES

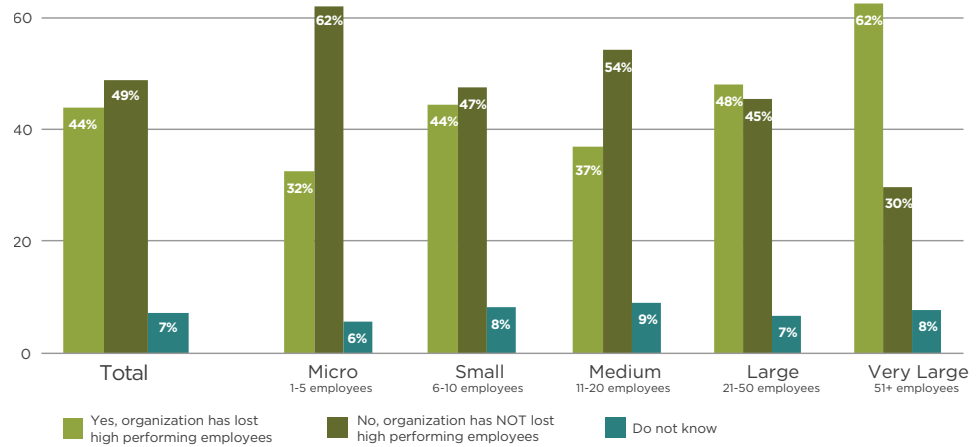


NUMBER OF RESPONDENTS: 810

Among the other reasons provided, lack of sustainable funding and time also imply resource concerns. The other most common challenge identified was the lack of opportunities for promotion. When asked about having lost high performing employees because of the lack of career advancement opportunities, 40 percent of respondents answered in the affirmative.

FIGURE 42

PERCENTAGE OF ORGANIZATIONS THAT HAVE LOST 'HIGH PERFORMING' EMPLOYEES DUE TO LACK OF LEADERSHIP OPPORTUNITIES



NUMBER OF RESPONDENTS: 722

When the response is broken out by size of organization, it is the very large organizations that have the highest incidence of high performers leaving for this reason. Although this may seem counter-intuitive, given that smaller organizations are more likely to be flat and offer little opportunity for career progression, it may be a matter of expectations and increasing skill specialization that happens in larger organizations. It is also important to bear in mind that even very large organizations within the sector are considered small in comparison to other sectors.

The survey went a step further to explore whether losing high performers because of a lack of career opportunities meant a net loss to the sector. Of those organizations that reported a loss of high performing employees because of a lack of leadership opportunities, 51 percent of those who left found appropriate employment elsewhere in the sector. Given that 30 percent of respondents answered that they did not know where their high performers went, this figure may actually be significantly higher. This is important because it suggests that there is an interest or commitment to continue working in the sector, which is a strong asset upon which to build strategies. Tracking high performing employees when they depart and understanding how to facilitate career paths for high performers in the sector will be key considerations for strategy development.

But Do They Want The Job?

The role of executive director/CEO may not always be attractive to emerging leaders. Of the 48 percent of organizations that have a staff/board member who would be qualified to take the role if the current executive director/CEO left, 27 percent were considered not to be interested in taking the job. When asked, “Why not?” responses painted a vivid picture of stress, overwork, burdensome administration, and under-compensation; most importantly a disconnection from the work that drew them to the organization/sector in the first place.

From the point of view of strengthening retention and building a leadership pipeline, finding ways to engage high performing employees has the potential for retaining them within the organization or the sector more broadly. However, as was highlighted by the following focus group participant, sometimes engagement is not enough:

I can think of one person who is a high performer... but the reality is she's going to leave... I can identify her as a high performer and I'd love to do succession planning, but the reality of the story, it's a retention factor... money is the main focus for this person, and this is where the breakdown happens. So yes, I can identify high performers and no I don't have a succession plan.... but, at the end of the day, they are going to go where they get more money, and I can't give her the security, or match it, or even be in the ballpark.

FOCUS GROUP PARTICIPANT-SPORTS AND RECREATION

Something we've identified as a challenge is the lack of middle management. You're a program manager first and then you're an ED, no positions between that. And then you get thrown in the water, there's a leap.

FOCUS GROUP PARTICIPANT-COMMUNITY DEVELOPMENT/EMPLOYMENT

The challenges facing the sector to attract, retain and develop leaders are multifaceted and complex. The leadership role of executive director/CEO has become one that is not necessarily attractive to younger leaders, and disconnected from the creative and innovative space that originally draws individuals to the sector. Re-thinking these roles and the structures that support organizations will be important, but there is also work to be done in considering the career paths and the training and development

opportunities that are offered to high performers and emerging leaders. As strategies are developed, it will also be important not to focus exclusively on the next generation as the only pipeline; there are existing middle managers, new immigrant leaders, and other sources of talent that can provide a rich range of experience and competencies.

Strategic Opportunities For The Sector

- Identify incentives and structures that will attract new leaders: In order to attract high performers to senior leadership roles, there is a need to engage these emerging leaders in a visioning exercise of the structures and incentives that would resonate with their aspirations. In this context, there is a need to rethink existing leadership models and how leadership can be redefined.
- Create career paths that will support the development of a leadership pipeline across the sector: Working within and across sub-sectors and their intermediaries, identify potential structures that can connect people and opportunities.

Theme 5

Diversity

One of the key external drivers affecting the sector, and society as a whole, is demographic change. As a key demographic trend in Canada, immigration is widely held as a positive response to potential labour shortages in the near and long-term. The role of immigration in labour market growth in Ontario is an accepted fact, and leveraging immigrant talent is a critical element of human capital strategies in all sectors. But it is not just about labour and skills shortages. Including immigrant talent and leveraging diversity more broadly offers important returns to workplaces and communities by enriching creativity, supporting innovation, and building resilience.

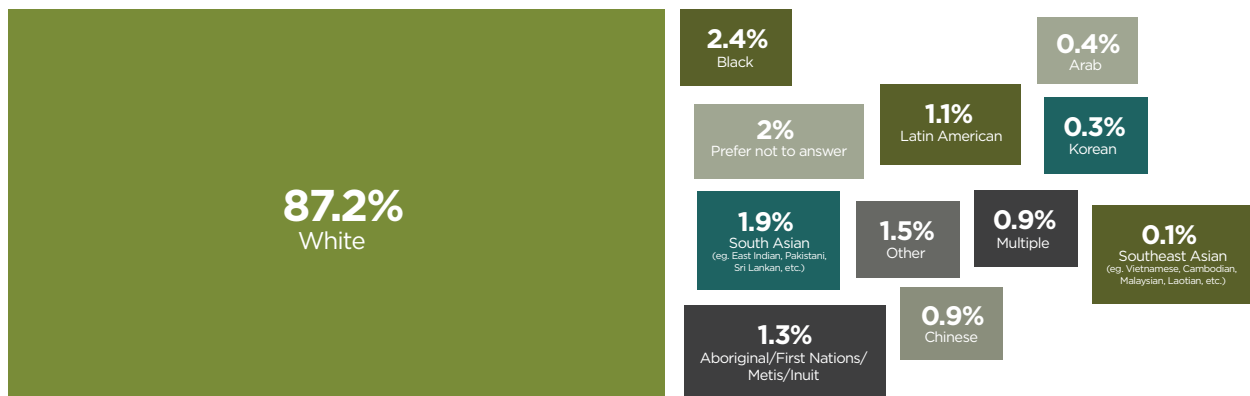
Diversity in Leadership Positions

Although Ontario is the most diverse and immigrant-rich province in Canada⁴, the nonprofit sector is not effectively leveraging immigrants and diversity in leadership positions.

FIGURE 43

	CENSUS 2011 (ONTARIO)	LOOKING AHEAD LEADERSHIP SURVEY RESPONDENTS
White	74%	87%
Visible Minority	26%	13%
Canadian-born	70%	80%
Immigrant	30% ¹	20%

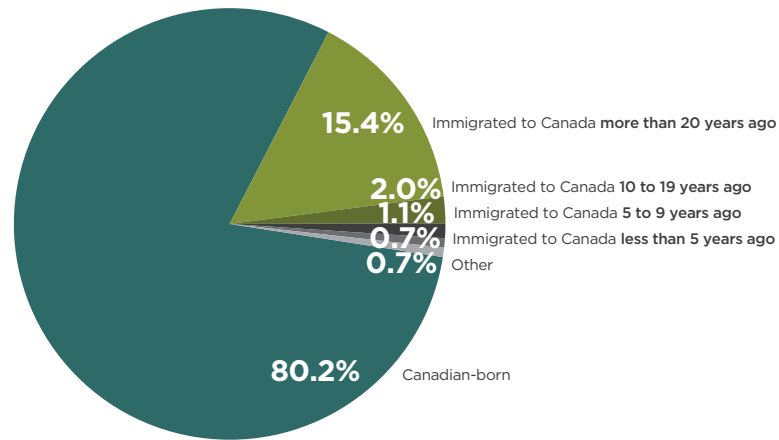
FIGURE 44
ETHNO/RACIAL IDENTITY OF NONPROFIT SECTOR LEADERS



NUMBER OF RESPONDENTS: 810

4 Statistics Canada. 2011. national Household Survey/Census.

FIGURE 45
CANADIAN-BORN/ IMMIGRANT STATUS OF NONPROFIT SECTOR LEADERS

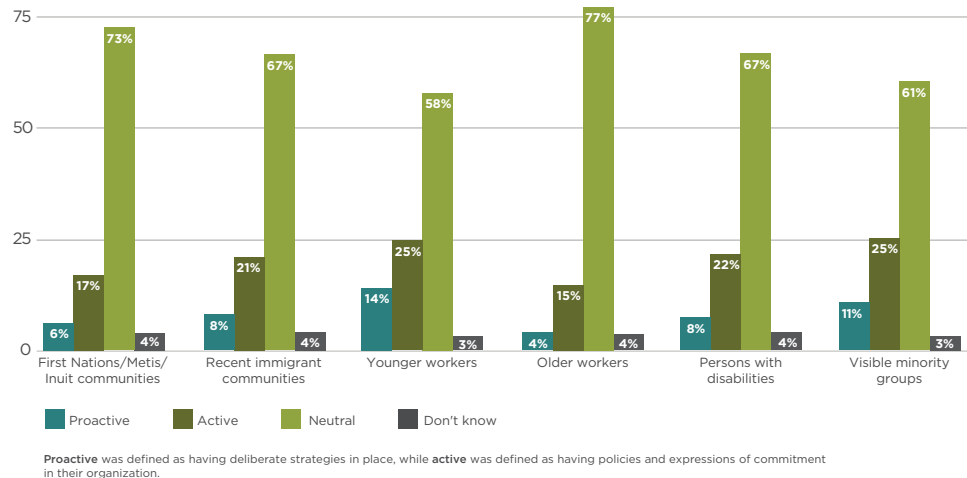


NUMBER OF RESPONDENTS: 751

Recruitment Strategies for Employees from Diverse Populations

In order to explore the organizational commitment to diversity, survey respondents were asked to assess how pro-active/active/neutral their organization was in recruiting paid employees from the following population groups: First Nations/Métis/Inuit communities, recent immigrant communities, younger workers, older workers, persons with disabilities, and visible minority groups. “Proactive” was defined as having deliberate strategies in place, while “active” was defined as having policies and expressions of commitment in their organization.

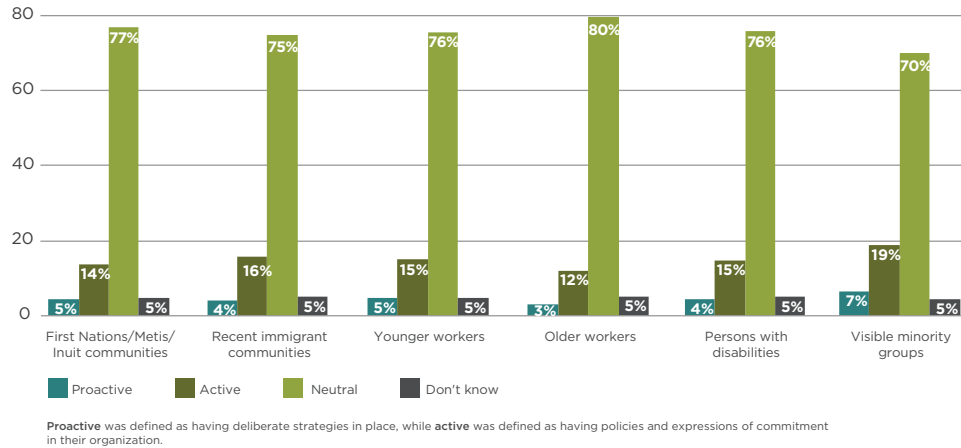
FIGURE 46
HOW ACTIVE IS YOUR ORGANIZATION IN RECRUITING PAID EMPLOYEES FROM THE FOLLOWING POPULATIONS?



NUMBER OF RESPONDENTS: 810

Respondents were asked the same question as it related to the recruitment of management level employees to explore how deeply the commitment to diversity ran in organizations, and whether it was seen as a priority for the leadership level. The results of active and pro-active strategies were even lower when compared to the recruitment of employees generally.

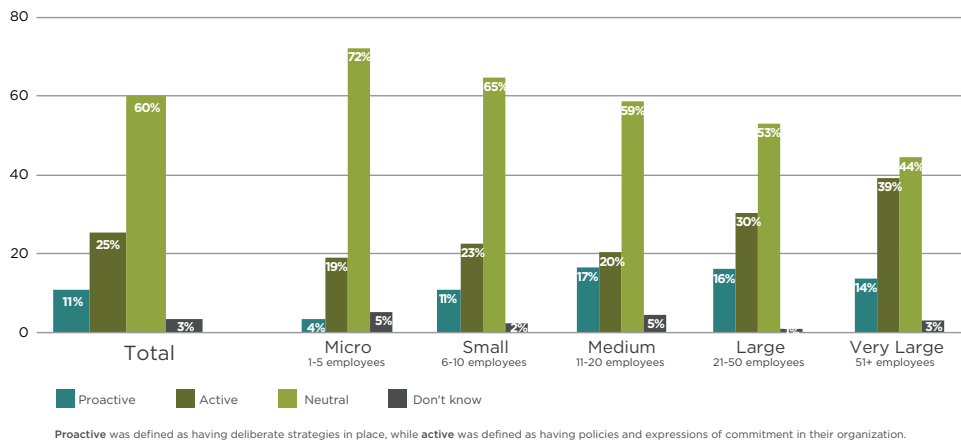
FIGURE 47
HOW ACTIVE IS YOUR ORGANIZATION IN RECRUITING MANAGEMENT EMPLOYEES FROM THE FOLLOWING POPULATIONS?



NUMBER OF RESPONDENTS: 810

Size of community and size of organization are both considered to be influencing factors on this question, as there are implications for capacity, both organizational and in terms of the available population pool. In order to illustrate the effect of capacity, a cross-tabulation of recruitment strategies for visible minorities, by size of organization and by size of community is below:

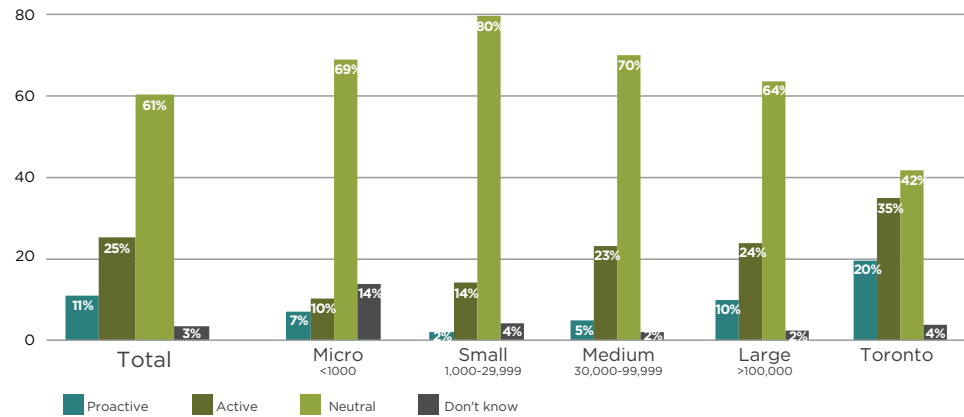
FIGURE 48
HOW ACTIVE IS YOUR ORGANIZATION IN RECRUITING VISIBLE MINORITY EMPLOYEES, BY SIZE OF ORGANIZATION?



NUMBER OF RESPONDENTS: 757

FIGURE 49

HOW ACTIVE IS YOUR ORGANIZATION IN RECRUITING VISIBLE MINORITY EMPLOYEES, BY SIZE OF COMMUNITY?



Proactive was defined as having deliberate strategies in place, while active was defined as having policies and expressions of commitment in their organization.

NUMBER OF RESPONDENTS: 760

On all dimensions (visible minority, recent immigrant, First Nations, persons with disabilities), larger organizations/communities were more likely to have pro-active/active recruitment strategies than smaller organizations/smaller communities. However, overall, a minority of nonprofit organizations in Ontario identify recruitment of paid employees from diverse groups to be an organizational priority.

The survey response to the question of diversity prompted a deeper exploration in the focus groups. Focus group participants were asked why they thought most nonprofit organizations see themselves as neutral on their approach to recruiting diverse paid employees. It was clear from the discussions that there was confusion over the terminology “proactive” and “active” in the survey. Many participants voiced concern that “proactive” implied that a hiring decision would be based on demographic profile and not skills: “We hire for skills, not for colour.” Skills and diversity were framed as mutually exclusive. The discussions revealed a lack of clarity or depth of understanding around concepts and practices related to inclusive employment practices and suggested a lack of awareness of the “return on investment” that diversity offers the workplace.

Drawing on personal experience, but also providing a lens on systemic issues, one participant offered:

This for me is the joke of the day. I’m a leader in an organization now... and I belong to a network with many people who are sitting with me, who respect me, but who didn’t give me a job (when I was new to Canada)... We are inherently racist, and we hire people who look like us.

FOCUS GROUP PARTICIPANT-COMMUNITY DEVELOPMENT

Conversely, another participant expressed a sense that retaining employees from different ethno-cultural backgrounds had particular challenges. The participant felt that employees from racialized communities may have their own interests and may not share a common vision with those from other backgrounds:

... people of colour have concerns that are more about their own concerns rather than that are general concerns; I had staff of African descent, and they worked and then they left to create their own organizations.

FOCUS GROUP PARTICIPANT-ARTS AND CULTURE

Focus group discussions also highlighted the challenges and constraints felt by smaller organizations, and in particular smaller communities where there is not a critical mass of diverse populations. Participants spoke about the challenges of having a small pool of talent to begin with, and the difficulties they face just getting applicants with the right skills. They also identified the heightened competition in smaller communities for diverse candidates who are highly skilled:

Aboriginal people with a university degree are in such demand, they're going to be in such demand that they're not going to come work for [us]. Especially if you're bilingual-people are really desperate to have them...

FOCUS GROUP PARTICIPANT-COMMUNITY DEVELOPMENT

Participants also identified further challenges inherent in smaller communities. Where there are small numbers of diverse community leaders, there is a perception of tokenism that comes with the politics of representation; i.e., being the token member of a group on advisory groups and being expected to speak for the community. There were also service delivery concerns, where a member of a minority community is the only access point for service, and community members may not feel assured of confidentiality.

Focus groups also talked about the fact that while many organizations have achieved diversity among front-line employees, most have not reached comparable levels in leadership positions.

At the front line, it's prevalent, in middle management and higher levels, it's a different story.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

When asked about how they thought the sector could better achieve a diverse workplace, some noted the effect that public policy can have on creating diversity outcomes. However, organizational commitments, whether in the form of policies or strategic priorities, were noted as essential in achieving change:

The employment pool for fundraising skills is almost exclusively white middle class women. It wasn't until we thought about who could be successful as a fundraiser differently, and only then it changed, the profile of our staff changed. That has to be a deliberate decision you take to broaden the view of who the qualified candidates can be. And without that it's not going to happen in the front line, or at the management level.

FOCUS GROUP PARTICIPANT-GRANT-MAKING

The above quote also reflects a deeper understanding of inclusive employment practices that involve recognizing the transferability of skills and building systems to provide this; processes that also require a threshold of human resource and organizational capacity, which are not generally found in small or even medium-sized organizations.

The broader principles of building relationships with particular communities as a means for developing trust, and creating the conditions for successful recruitment were also noted:

For us, the challenge is attracting Aboriginal candidates. The posting doesn't work for us, so we need to figure out how do we build organizations so that they view the sector as a career choice, and to mentor people to come in, to create opportunities. And that is the part I find most challenging.

FOCUS GROUP PARTICIPANT-HUMAN AND SOCIAL SERVICES

Participants talked about the need to build awareness and create tools to educate and also to support access. For the nonprofit sector in particular, there is much more that can be done to leverage diverse talent in filling skills shortages, promoting diversity as a core value of the sector, providing better services to diverse communities, and increasing innovation and diversity of thought.

I think in our sector, people know it [the diversity challenge], but we struggle with how to apply it.

FOCUS GROUP PARTICIPANT- COMMUNITY DEVELOPMENT

Strategic Opportunities for the Sector

- **Move from value statements about diversity in the workplace to strategic priorities and organizational policies:** In order to make diversity a priority, explicit goals and objectives need to be determined and actioned through deliberate strategies.
- **Create tools to support inclusive hiring:** There is a broad literature and practice around inclusive human resource management generally, and approaches that recognize transferable skills, international qualifications and broad equity practices should be tailored to the nonprofit sector, and made accessible and relevant to various sub-sectors and organizations.
- **Build awareness and deepen the understanding of diversity in the workplace:** how to do it, why it matters, and what difference it makes.

Conclusion

The Ontario nonprofit labour force comprises an important part of the overall workforce in Ontario in terms of numbers, and produces significant value for, and impact on, individuals and communities. For this reason, the vitality and future resilience of the people working and leading in this sector is an important priority for Ontario.

A human capital strategy looks at priorities for the future and develops plans and actions to align the people and the competencies needed in order to achieve clearly articulated goals. The findings from this research provide a solid foundation for understanding the context of human capital renewal in the Ontario nonprofit sector and for informing strategy development going forward. With a deliberate and strategic focus on senior paid positions in Ontario nonprofits, this research has produced the evidence needed to craft concrete strategies that will build on their competencies and improve the context of their work.

Five key themes emerged from the data and were explored in this report: competing to find and keep talent; rethinking the current model of leadership; leadership skills and competencies; where future leadership will come from; and diversity.

Nonprofits are being challenged with new demands and trends: accountability for results, income diversification, rising demands for services, an environment of doing more with less. In this context there is a need to ensure that the people leading and working in nonprofits across Ontario are provided with the relevant training and learning opportunities that will build their knowledge and develop their capacity to deliver on the promise of the sector.

Like all sectors, the nonprofit sector needs to be deliberate and strategic about building the pipeline of future leaders. But leadership renewal is about more than finding the future leaders. It is also about re-thinking the structures and conditions that enable or constrain their leadership. The findings of this research suggest that such consideration will be an important element of strategy development going forward.

The findings from this report represent a wide range of opportunities for the nonprofit sector in Ontario. As ONN moves into Phase II of its human capital renewal strategy, this presents an exciting opportunity for sector leaders to help shape the future and work together on building the strategy.

Appendix A

Looking Ahead Leadership Survey Questionnaire

Looking Ahead Leadership Survey

Page #1

Human Capital Renewal has been a key priority since the Ontario Nonprofit Network (ONN)'s earliest outreach with the nonprofit sector. This survey will build on a more comprehensive account of the particular HR issues sector leadership faces and the competencies and skills leaders need to strengthen the future of the sector. ONN is pleased to have Mowat NFP as our research partner for Phase 1 of its Human Capital Renewal Strategy.

ONN is the sector leader for the 46,000+ nonprofit organizations across the province, working strategically at the policy and systems level to connect and mobilize the knowledge and leadership of community nonprofits. ONN is a leading nonpartisan convener of sector voices, a host for innovative partnerships, and a catalyst for systemic change.

This survey will explore the leadership skills that are needed in the sector today and in the future, the opportunities for growing talent, and how skills development can be shaped to meet the needs of the sector.

ONN is asking executive directors / senior leaders of nonprofit organizations with paid staff in Ontario to complete this survey. The respondent must be familiar with the operations of the organization, including revenues and human resources. As a starting point, our focus in this study includes the following subsectors: Arts and Culture, Sports and Recreation, Health, Housing, Social and Human Services, and Environment. We are excluding respondents who work for municipalities and in hospitals, universities and colleges.

We need your voice and experience to tell the story of the sector and to find the solutions that will shape the future. Your responses will be kept confidential and remain anonymous. We ask for only one response per organization.

Completing this survey will take approximately 20 minutes.

Your support of the sector is very much appreciated and valued. To thank you for completing the survey, we will send you a copy of the final report and also offer you the opportunity to enter your name in a draw to win one of 3 iPads or one of 3 registrations to 2013 ONN Conference. Only completed surveys will be entered into the draw.

Please complete the survey by June 7, 2013.

Key contact information


Questions regarding ONN's human capital renewal strategy can be directed to Heather Laird, Policy Development Constellation Steward (heather.laird@theonon.ca) at the ONN.

Questions regarding the survey can be directed to Stella Park, Project Manager (stella@mowatcentre.ca or 416-946-5228) at the Mowat Centre, University of Toronto.


Simple Skipping Information

- If 1. Is your organization a nonprofit organization l... = No then Terminate survey
- If 2. This survey should only be completed by Executi... = I am not an Executive Director/senior leader in my organization then Terminate survey
- If 3. Does your organization have at least ONE paid e... = No (run entirely by volunteers) then Terminate survey




 1. Is your organization a nonprofit organization located in Ontario?

- Yes
 No


 2. This survey should only be completed by Executive Directors/senior leaders of nonprofit organizations. What is your current role within your organization?


- Executive Director/ Chief Executive Officer
 Senior HR manager
 Other senior manager
 Other (please specify) _____
 I am not an Executive Director/senior leader in my organization


 3. Does your organization have at least ONE paid employee?

- Yes
 No (run entirely by volunteers)


ABOUT YOUR ORGANIZATION

 4. In what year was your organization incorporated (e.g. 1981)?


 5. What is the postal code of your organization (i.e. M5S 2T9)?

 6. To help us understand the different experiences across the province, please select from the following for the location of your organization.

- Barrie
- Belleville
- Bowmanville
- Brantford
- Brockville
- Burlington
- Cambridge
- Chatham
- Cornwall
- Guelph


... 19 additional choices hidden ...

- St. Thomas
- Stratford
- Sudbury
- Thunder Bay
- Timmins
- Toronto
- Welland
- Windsor
- Woodstock
- None of the above

 7. If we did not include your community in the previous question, please help us to include your location and indicate your community here:

 8. Which of the following best describes where your organization is located?

- Rural area (population less than 1,000)
- Small population centre (population between 1,000 to 29,999)
- Medium population centre (population between 30,000 to 99,999)
- Large Urban population centre (population 100,000 or greater)

 9. What is the primary activity area of your organization? That is, where does your organization devote most of its time and resources?

- Arts and Culture
- Sports and Recreation
- Housing
- Community Development/Employment
- Social and Human Services
- Environment
- Health (not hospitals)
- Grant making, Fundraising or Promoting Voluntarism
- Education/and Research

Other (please specify) _____

10. What was the annual budget of your organization in the last fiscal year?

- 0 - \$99,999
- \$100,000 - \$249,999
- \$250,000 - \$499,999
- \$500,000 - \$999,999
- \$1,000,000 - \$2,999,999
- \$3,000,000 - \$4,999,999
- \$5,000,000 - \$9,999,999
- \$10,000,000 or more

11. Which of the following stages most closely describes your organization at this time?

- START-UP/NEW: founder-based; mission/vision development; emerging program
- GROWTH: Expanding staff and volunteer base, program anchoring and recognition in community, emerging profile, development of organizational infrastructure
- MATURE: Core programs established, solid governance structure, financial stability, institutional recognition in the community
- RENEWAL: Reconsideration of mission and relevance to original purpose and market; reconsidering organizational autonomy and relationship to other organizations; expanding or franchising
- DECLINE/SHUTDOWN: Loss of financial sources, client base; reduction of staff, services/programs

Characteristics of Employment:

"Full-time" is defined as employees working 30+ hours/week.

"Part-time" is defined as employees working less than 30 hours/week.

"Permanent employees" include employees with contracts of one year or more.

"Contract" staff is defined as employees with a contract termination date of 12 months or less (e.g. project staff).

"Seasonal" staff is defined as employees hired for limited periods related to seasonal work (e.g. summer camp).

12a. In your organization, what is the total number (headcount) of:

Permanent full-time employees	_____
Full-time contract employees	_____
Permanent part-time employees	_____
Part-time contract employees	_____
Total number of paid employees	_____

12b. How many of your contract employees are seasonal?

13. Compared to three years ago, has your organization's total number of paid FTEs (full-time equivalent):

- Increased
- Stayed the same
- Decreased

14. Looking ahead to the next 3 years, do you think your organization's total number of paid FTEs (full-time equivalent) will:

- Increase
- Stay the same
- Decrease

15. Does your organization provide any sort of a retirement income plan such as a pension plan, or a contribution to an RRSP for:

	Yes	No	Don't know	N/A (no employee in this category)
Permanent full-time employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Full-time contract employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Permanent part-time employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Part-time contract employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Seasonal contract employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>


16. Does your organization provide any other benefits such as a drug plan, vision, dental, life insurance for:

	Yes	No	Don't know	N/A (no employee in this category)
Permanent full-time employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Full-time contract employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Permanent part-time employees

Part-time contract employees

Seasonal contract employees

 17. Is your workplace a unionized environment?

Yes

No

ATTRACTING, RETAINING AND DEVELOPING TALENT

18. Which of the following recruitment challenges, if any, has your organization experienced in the past 3 years? (check all that apply)

- Few or no applicants
- Applicants lack relevant work experience
- Organization has noncompetitive wage and salary levels
- Organization has noncompetitive benefit levels
- Applicants lack specialized skills required by the organization
- Applicants lack nonprofit experience/knowledge
- Applicants lack essential skills (reading, writing, numeracy, oral communication, thinking skills, working with others, dealing with clients)
- Applicants lack appropriate training and education
- The organization cannot offer sufficient career mobility (career paths)
- Other, please specify _____
- Our organization has not experienced recruitment challenges in the past 3 years.

19. Which of the following retention challenges, if any, has your organization experienced in the past 3 years? (check all that apply)

- Organization has noncompetitive wage and salary levels
- Organization has noncompetitive benefit levels (including pensions)
- Limited opportunities for career advancement (lack of career mobility in the organization)
- Uncertainty of on-going funding
- Only short-term/temporary/contract positions are available
- Only part-time positions are available
- Excessive workloads/ insufficient staff resources
- Lack of training and development opportunities
- Other (please specify) _____
- Our organization has not experienced retention challenges in the past 3 years.


20. How active is your organization in recruiting paid employees from the following populations:

	Proactive (Deliberate strategies in place)	Active (There are policies and expressions of commitment)	Neutral	Don't know
First Nations/Metis/Inuit communities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Recent immigrant community	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Younger workers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Older workers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Persons with disabilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Visible minority groups	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>


21. How active is your organization in recruiting management level employees from the following populations:

	Proactive (Deliberate strategies in place)	Active (There are policies and expressions of commitment)	Neutral	Don't know
First Nations/Metis/Inuit communities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Recent immigrant community	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Younger workers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Older workers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Persons with disabilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Visible minority groups	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

 22. Over the past 12 months, most management employees that were hired were previously employed:

- In the non-profit sector
- In the public sector
- In the private sector
- In more than one sector (e.g. public/private/non-profit)
- New labour market entrants
- Other (please specify) _____
- Don't know
- No new hires over the past 12 months

 23. Overall, how would you describe the availability of training/professional development opportunities for staff in your organization over the past 3 years?

- Increase in opportunities
- Decrease in opportunities
- Remained constant
- Not sure

Page #6

24. When are employees at your organization engaged in a deliberate discussion about their career goals with their supervisor?
(Check all that apply)

- When initiated by the employee (e.g. at their request)
- Once a year as part of performance review
- When initiated by the employer (e.g. an opportunity arises)
- Never
- Other (please specify) _____

We are interested in knowing more about the people in our sector that are really making a difference, as well as those who will likely be leaders of the nonprofit sector in the future.

"High performing" employees are defined as employees that outperform in their roles and have the potential to develop as leaders.

25. Does your organization deliberately identify "high performing" employees?

- Yes
- No
- Don't know

26. How does your organization encourage leadership development for "high performing" employees? (Check all that apply)

- Promotion to a new position
- Stretch assignments (tasks that require a worker to take a step beyond his/her comfort zone and in the process develop new skills)
- Interim leadership position within the organization
- Formal training opportunities (tuition paid by employer)
- Leadership training (paid by employer)
- Paid time off work to attend training/ professional development activities
- Attendance at conferences or other sector events
- Mentorship (being a mentor)
- Mentorship (being mentored)
- Coaching
- Peer group learning
- There are NO opportunities
- There are NO high performing employees
- Other (please specify) _____

27. What are the challenges your organization faces in developing "high performing" employees? (Check all that apply)

- Lack of resources
- Lack of available mentors
- Lack of appropriate external training opportunities
- Lack of internal training opportunities
- Lack of time
- Lack of opportunities to promote
- Lack of sustainable funding
- There are NO high performing employees
- Other (please specify) _____

28. Has your organization lost "high performing" employees because of a lack of leadership opportunities (i.e. they were ready for career advancement, but the organization did not have any available opportunities)?

- Yes
- No
- Don't know
- N/A

29. If yes, did they find appropriate opportunity elsewhere in the nonprofit sector?

- Yes
- No
- Don't know
- N/A

30. Does your organization have a formal succession plan for senior leadership?

- Yes, for the top position only
- Yes, for the top position and other senior position(s)
- No
- Don't know

YOUR EXPERIENCE AS A LEADER IN THE NONPROFIT SECTOR

31. How many years have you worked in your current role at your organization?

32. How many years in total (including your current role) have you worked in the nonprofit sector?

33. Which of the following scenarios best describes how you came to your current position?

- I am the founder of this organization
- I was previously on the staff of this organization
- I was previously on the board of this organization
- I was hired from outside the organization, and came from the non-profit sector
- I was hired from outside the organization, and came from the private sector
- I was hired from outside the organization, and came from the public sector
- I was hired from outside the organization, and have a working background in more than one sector (e.g. public/private/nonprofit)
- Other (please specify) _____

34. If you were hired from the nonprofit sector, what was your previous role?

- Executive Director/Chief Executive Officer
- Management staff
- Other (please specify) _____
- I was not hired from the nonprofit sector

35a. Please rank on a scale from 1 to 5 how useful were the following experiences in shaping your leadership skills and style?


	5 = Very useful	4	3	2	1 = Not useful at all	N/A
Work experience from the nonprofit sector	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Work experience from the private sector	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Work experience from the public sector	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Serving on a nonprofit Board of Directors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Formal training in nonprofit leadership and/or management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other formal education	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

35b. If you answered "Other" to the question above, please elaborate here.


36. Which of the following reasons best describes why you came to work in the nonprofit sector? (Check all that apply)

- Doing work that makes a positive difference to society/community
- Having the ability to work for a cause I care deeply about


- Being able to use the skills I've gained from my previous work
- Being able to apply the knowledge I've gained in my education
- Having a good job with a decent salary
- Working for an organization that does not have to make a profit
- Unplanned decision - position became available, and I got the job
- None of the above
- Other (please specify) _____

 37. How many years do you plan to continue working in your current role ?


- 0 to 2 years
- 3 to 5 years
- 6 to 10 years
- 11 or more years
- Don't know

 38. How many years do you plan to continue working in the nonprofit sector?

- 0 to 2 years
- 3 to 5 years
- 6 to 10 years
- 11 or more years
- Don't know

 39a. If you left your position today, would anyone inside the organization be a qualified and interested candidate for your position?

- Yes - there is at least one qualified candidate on staff/board and interested
- Yes - there is at least one qualified candidate on staff/board but not interested
- No - no one on the staff or board has the necessary qualifications
- Don't know

 39b. If you have staff who are qualified, but not interested, can you comment on why not?

LEADERSHIP SKILLS IN THE NONPROFIT SECTOR

40. Below is a list of functional areas required for the effective management of a nonprofit organization. Please indicate who in your organization has primary responsibility for each of these functions (There may be more than one person).

	Executive Director/CEO	Another Staff member	Board member	Outside Consultant	Partnership with other organization	N/A
Governance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Human resource management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Management of volunteers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Proposal /grant writing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fundraising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communication - Internal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marketing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public relations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Monitoring and evaluation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Collaborations and partnerships	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Advocacy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Engaging community stakeholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Government relations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

41. Thinking about these functional areas, pick the top 3 that you personally would like to develop to be a more effective leader in your organization.

- Governance
- Human resource management
- Management of volunteers
- Financial management
- Proposal / grant writing
- Fundraising
- Communication - Internal
- Marketing
- Public relations

- Risk management
- Monitoring and evaluation
- Collaborations and partnerships
- Advocacy
- Engaging community stakeholders
- Government relations

42. Below is a list of some strategies that are attempting to address a changing environment for nonprofit organizations. Which of these are increasing priorities for your organization, if any? (Check all that apply)

- Social entrepreneurship/ developing other forms of earned income
- Leveraging technology
- Working with the private sector
- Measuring and demonstrating outcomes
- Social finance tools (e.g. impact investing, crowd funding, social impact bonds, etc)
- Mergers / amalgamations
- Donor engagement
- Back office consolidation / joint service provision
- Other (please specify) _____
- None of the above

43. In which of the following areas does your organization need to invest in skills development? (Select the top 3 areas)

- Social entrepreneurship/ developing other forms of earned income
- Leveraging technology
- Working with the private sector
- Measuring and demonstrating outcomes
- Social finance tools (e.g. impact investing, crowd funding, social impact bonds, etc)
- Mergers / amalgamations
- Donor engagement
- Back office consolidation/joint service provision
- Other (please specify) _____
- None of the above

"Competencies" are defined as knowledge, skills, and/or attributes appropriate to the context.

44. Thinking about the challenges and opportunities in the nonprofit sector today and in the near future, select the top 3 competencies that you think Executive Directors/CEOs need to have in order to succeed.


- Leading people
- Strategic planning
- Inspiring commitment
- Managing change
- Working effectively with Board and staff
- Participative management
- Being a quick learner
- Employee development
- Persevering under adverse conditions
- Balancing personal life and work
- Strategic visioning
- None of the above
- Other (please specify) _____


45. Among the competencies listed below, select the top 3 that you would like to develop.


- Leading people
- Strategic planning
- Inspiring commitment
- Managing change
- Working effectively with board and staff

- Fostering participative management
- Being a quick learner
- Able to develop all employees
- Persevering under adverse conditions
- Balancing personal life and work
- Strategic visioning
- None of the above
- Other (please specify) _____


Nonprofit Management Certificate/Degree Programs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Business Management Certificate/Degree Program	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Topical Workshops and Conferences	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Leadership Development Programs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Participating in peer networks or peer groups	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

 48b. If you answered "Other" to the question above, please elaborate here.


 **ABOUT YOU:** Please be reminded your responses will be kept confidential and remain anonymous.

 49. What is your gender?


- Male
- Female
- Other

 50. What is your age?


- 18-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65+

 51. What is the highest level of formal education that you have completed?


- Less than high school
- High School
- Community college certificate/diploma
- Certificate in Nonprofit Mangement
- Bachelor's degree
- Professional degree (law, medicine, etc)
- Master's degree (e.g. MA, MBA, etc)
- PhD
- None of the above

 52. What is your current prorated annual salary (excluding benefits and other non-monetary compensation)?

- Less than \$39,999
- \$40,000 to \$49,999
- \$50,000 to \$69,999
- \$70,000 to \$99,999
- \$100,000 to \$124,999
- \$125,000 to \$149,999
- \$150,000 or more
- Prefer not to specify


 53. Which of the following best describes you (as per Statistics Canada's classification)?

- White
- South Asian (e.g. East Indian, Pakistani, Sri Lankan, etc)
- Chinese
- Black
- Filipino
- Latin American
- Arab
- Southeast Asian (e.g. Vietnamese, Cambodian, Malaysian, Laotian, etc)
- West Asian (e.g. Afghan, etc)
- Korean
- Japanese
- Aboriginal / First Nations / Metis / Inuit
- Multiple
- Other (please specify)


 54. Were you born in Canada? If not, how many years have you been living in Canada?

- Yes, born in Canada
- No, immigrated to Canada, more than 20 years ago
- No, immigrated to Canada, 10 to 19 years ago
- No, immigrated to Canada, 5 to 9 years ago
- No, immigrated to Canada, less than 5 years ago
- Other (please specify) _____


 **WRAP UP**

 55. Are you the only person in your organization completing this survey?

- Yes
- No (Please specify the name of your organization) _____
- I don't know

 56. Would you like to receive a final copy of the results of this study by email?

- Yes
- No

 57. Would you like your name to be entered in a draw to win one of 3 iPads or one of 3 registrations to 2013 ONN Conference?
Only completed surveys will be entered into the draw.

- Yes
- No

58. If you answered YES to either Question 56 or 57 above, please indicate your contact information below: Please be assured that the information you provide here will remain strictly confidential and it will only be used for the purpose of contacting you to provide a copy of the results and/or to enter your name into the draw.

- Full Name _____
- Email address _____
- Telephone number _____
- Organization Name _____
- Organization website _____
- Prefer not to specify

59. Do you know any other Executive Director(s) working in the core nonprofit sector in Ontario who would be interested in filling out this survey? If so, please include their name and email address below. Thank you.

- Person 1, Name: _____
- Person 1, E-mail address: _____
- Person 2, Name: _____
- Person 2, E-mail address: _____
- Person 3, Name: _____
- Person 3, E-mail address: _____
- No, I do not want to share any names

 60. Do you have any final comments you would like to share?

Appendix B

Focus Group Questions

THEME 1: SKILLS DEVELOPMENT FOR EFFECTIVE LEADERSHIP

- What does leadership in the nonprofit sector mean to you?
- Is there a disconnect between your vision of leadership and your ability to deliver on it?
- What are the constraints/ enablers to achieving success in your leadership role?

THEME 2: THE LEADERSHIP PIPELINE AND SUCCESSION PLANNING

- What is your understanding of a leadership pipeline?
- What is the role of training (internal/external)?
- What do you/your organization do to develop the leadership pipeline ('high performing employees')?
- What role do you play in succession planning at your organization?

THEME 3: DIVERSITY

- What are some challenges in diversifying your workplace ?
- What supports would help your organization to become 'active' in your strategies?

About The Ontario Nonprofit Network (ONN)

ONN is the convening network for the 46,000+ nonprofit organizations across Ontario. ONN leads, engages and advocates with the nonprofit sector, its organizations, communities and people, to support a vibrant, resilient Ontario.

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About Mowat NFP

Mowat NFP undertakes collaborative applied policy research on the not-for-profit sector. As part of an independent think tank with strong partnerships with government and the sector, Mowat NFP brings a balanced perspective through which to examine the challenges facing today's sector and to support its future direction.

About the Mowat Centre

The Mowat Centre is an independent public policy research centre located at the School of Public Policy & Governance at the University of Toronto. The Mowat Centre is Ontario's non-partisan, evidence-based voice on public policy. It undertakes collaborative applied policy research, proposes innovative research-driven recommendations, and engages in public dialogue on Canada's most important national issues.

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