



chapter  
ONE

# Understanding This Big Job

*Leaders at all levels and in all situations must pay close attention  
to situations in which their most effective option is to follow  
. . . because performance requires them to rely on the  
capacities and insights of other people.*

—Douglas K. Smith, “The Following Part of Leading,”  
*Leader of the Future*

**E**xecutive Directors have a very big job! If you are currently working as an Executive Director, or have done so in the past, you surely know just how big and complex the position is. You converse with funders and donors, inspire and manage staff, keep Board members informed and involved, listen to clients, raise money, review (and often worry about) finances, and articulate the case for

your programs and the organization's accomplishments; you often serve as an accidental technology expert, facilities manager, or HR specialist, and sometimes you even clean the office. Your responsibilities seem to change depending on who needs what. You must be able to prioritize a variety of stakeholders in a multitude of different ways. And no matter how well you plan and prioritize your day or week, something unexpected always occurs to draw your attention.

Because of all these responsibilities, Executive Directors must lead, manage, and support others to be successful. We believe that by knowing when to be a leader, manager, or supporter, you can more efficiently focus your efforts, and in many cases delegate to others. As a result you can make more time for a life beyond the nonprofit. In this chapter, we answer these questions:

- What are the roles and responsibilities of an Executive Director?
- What is the difference between a leader and a manager?
- When should an Executive Director lead, manage, or support others?

## **WHAT ARE THE ROLES AND RESPONSIBILITIES OF AN EXECUTIVE DIRECTOR?**

All Executive Directors (paid or unpaid) share one universal role, regardless of where they work. The Board always hires the ED as a temporary caretaker of the mission, entrusting the organization to the ED with the expectation that it will thrive in that person's care. So the Executive Director does not own the nonprofit but is charged by the Board with controlling its operations and course while making it thrive. The Executive Director is the key caretaker of the nonprofit.

To perform this central caretaker role, an Executive Director must have five important characteristics. The strength of each will differ from person to person, but every Executive Director needs all of the following in some combination:

- Visionary
- Change agent
- Relationship builder
- Community creator
- Resource wizard

These characteristics will look different in each person—and in each nonprofit. In some nonprofits, all five characteristics may need to be in evidence all the time, while in others they ebb and flow in the Executive Director depending on the needs of the organization.

Throughout the remainder of the book, we will be describing these characteristics in great detail and offering you ideas on how to apply them in your nonprofit. First, though, to understand them more fully, it's helpful to look at the five in terms of the Executive Director's responsibilities.

The characteristics of an Executive Director are manifested and become apparent in the responsibilities of the position. These responsibilities generally are listed in the job description or work plan for the ED. They vary from person to person and nonprofit to nonprofit, depending on the size and culture of the organization and where it is in its life cycle. Exhibit 1.1 highlights the key responsibilities of an Executive Director and should be viewed as an illustration of what most EDs are responsible for in most organizations. You may find it helpful to use this chart to create a more specific list of responsibilities for you in your own nonprofit.

### **Exhibit 1.1**

#### **Responsibilities of an Executive Director**

As a *visionary*, an Executive Director is responsible for

- Motivating internal and external stakeholders with a shared picture of the greatness of their nonprofit.
- Inspiring passion to achieve what is possible.
- Discovering and articulating the values that form the guiding principles of the nonprofit.
- Bringing focus to the vision with a strategic plan.
- Thinking strategically about the best way to meet community needs.
- Evaluating, on an ongoing basis, the effectiveness of the nonprofit in fulfilling its mission.

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As a *change agent*, an Executive Director is responsible for

- Monitoring trends in the nonprofit sector and keeping the organization responsive to changing community needs, shifting revenue sources, emerging competition, and ever-increasing public scrutiny.
- Boldly moving the organization in a new direction with programs and resources if community trends dictate a change.
- Providing the skills needed to lead, manage, and support the organization at any point in its life cycle.
- Managing internal change processes by working with stakeholders to set goals and outcomes, create plans, and make the change happen.
- Persuading and motivating others to accept change as part of the daily routine in the organization, while also acknowledging people's natural resistance to change.
- Taking risks to try new ideas and take new approaches to achieving the mission.

As a *relationship builder*, an Executive Director is responsible for

- Communicating successfully with internal stakeholders—staff, volunteers, and Board.
- Managing staff and volunteers in a manner that fosters a healthy culture to ensure that everyone's role on the team is valued and recognized.
- Providing an open and transparent organizational culture that appreciates and respects differences.
- Supporting and at times leading the Board of Directors to ensure it adds value to the organization.
- Carrying on the wisdom of the organization's Founder while implementing bold new ideas.

As a *community creator*, the Executive Director is responsible for

- Creating a visible organization with broad stakeholder support.
- Communicating with external stakeholders to ensure continuing interest and involvement in the mission.



- Building partnerships that further the mission through cooperative efforts and strategic relationships.

As a *resource wizard*, an Executive Director is responsible for

- Recruiting, mentoring, and recognizing people who will raise funds that allow the organization to thrive.
- Communicating and building relationships with funders and donors to gain interest in the mission and support for it.
- Building a strong resource portfolio that secures the organization with funding during economic downturns and other financial lean times.
- Stewarding and managing funds received so well that the organization's trustworthiness is unquestionable.

The list of responsibilities in the exhibit may seem daunting to anyone who has not experienced the job of an Executive Director. The list is long, particularly when you think about the specific tasks needed for each responsibility. Remember, though, that not all responsibilities have highest priority on any given day.

In some smaller organizations that have no paid staff, the Executive Director may struggle to accomplish any of the indicated responsibilities because of the need to handle routine tasks normally performed by others in larger organizations. In this case, an ED needs to remember the core responsibilities as listed here, and work diligently to delegate as much of the other work as possible to volunteers. As an example, one Executive Director who was the only employee in her nonprofit was struggling to keep donors informed of the innovations taking place in programs. Her role as “community creator” was hampered by poor external communication systems. She enlisted two volunteers who had a background in marketing communications, and they redesigned the Web site, opened a Facebook page, set up the nonprofit on Twitter, and agreed to update and manage these communication tools so the ED could do other tasks.

Being a successful Executive Director is a learned role—no one starts out in the position as the “perfect ED.” In fact, successful Executive Directors are always improving themselves and taking time to build and strengthen the skills most needed to fulfill their responsibilities and lead their nonprofit to greater success. Remember this if you find yourself doubting your capabilities or feeling inadequate.

The very big job of an Executive Director requires an ongoing process of learning and development. We discuss this further in Chapter Two and throughout the book.

It is also important to realize that, most often, the job is not about you. For instance, an ED working at 150 percent and still struggling to juggle all the responsibilities of the position is probably doing an excellent job—but simply has too much to do, or the organizational systems are not in place to support the position. This is actually true for most Executive Directors, and too many choose to find some fault with themselves for their inadequacy. Understand that you are not inadequate, the position is just enormous. Much of Chapter Three will give you ideas of balancing this very big job you have undertaken. Other action steps you can take:

- Remind yourself that the job is not about you.
- Talk with other EDs—help each other remember the challenges of this position and that each of you is extraordinary for being an Executive Director.
- Identify ways others in the organization (Board, staff, volunteers) can support you.
- Evaluate what organizational systems and processes need updating to help you be effective.

Remember that you have been given the job of serving as caretaker for your organization—to be truly effective, the people within the organization must also take care of you, and the infrastructure must be there to support you.

## **WHAT IS THE DIFFERENCE BETWEEN A LEADER AND A MANAGER?**

These days people constantly speak and write about leadership and management styles. How often have you heard someone described as “a great leader but a weak manager” or “a great manager of people but not a very good leader”? What do those comments mean? The lines between the definitions of manager and leader have blurred to the point that people often use the words interchangeably. But being a successful manager and being a great leader are two very different roles—and both are required of Executive Directors on a daily basis if they are to fulfill the broader role of caretaker for the organization.

The challenge is twofold: knowing the difference between leadership and management, and discerning when to use one or the other.

A manager focuses on efficiency, effectiveness, and making sure the right things happen at the right time. This is an essential role for every Executive Director.

You are in a manager role when you set performance objectives with staff, prepare budgets, review cash flow projections, develop action plans, design new communication systems, and evaluate programs or fundraising strategies or any other aspect of the nonprofit. Managing may also include doing hundreds of other tasks that require focused and logical attention to the good health of the organization.

On the other hand, a leader is a strategist, a visionary, and someone who inspires others to greatness. This is the most critical role for Executive Directors in any organization. You are leading when you bring stakeholders together to decide on the organization's vision or values, or when you bring staff and volunteers together to design a program or develop a strategy or resolve a problem. Leaders motivate staff and volunteers, serve as role models, inspire donors to give generously, build community and capacity inside and outside the nonprofit, and create learning environments in which people can grow and develop themselves without fear. A strong leader will display all of the characteristics discussed in this chapter.

One of our Executive Director colleagues expressed the difference between leader and manager this way: "When you are a leader, you work from the heart. As a manager, you work from the head." Although it is probably more complex than that, the point to remember is the difference between what you do as a leader and what you do as a manager—and the constant need to be able to do both. Furthermore, the head and heart need to be partners, not independent operators.

An exercise you might wish to do is make a list of your key activities for a day or a week. Then separate them into leadership tasks and management tasks based on the descriptions given here. As you look at your list, do you find yourself doing primarily one or the other? Or is there a balanced division between leader and manager? There is no "right answer" to this exercise. But knowing if you are focusing your attention primarily on leadership or management tasks can help you understand your job and role in the organization. It sometimes can help you make changes in your job if you feel you need to be doing more leader or manager tasks.

One Executive Director's list looked like the example in Exhibit 1.2.

The Executive Director who prepared this list did not include other tasks she did that week, as they were neither managerial nor leadership activities.



## Exhibit 1.2 Sample Task List

TASKS FOR WEEK OF \_\_\_\_\_

Leader	Manager
Held vision meeting with Board	Interviewed candidates for Finance Manager
Meeting with collaboration peers	Reviewed monthly financial data
Spoke at Rotary Club luncheon	Set quarterly benchmarks with managers
Meeting with volunteers for input on programs	Reviewed last quarter's benchmarks and addressed successes and improvements
Designed new public relations strategy	Disciplinary meeting with staff member
Conducted staff recognition event	Called 5 major donors to thank them
	Reviewed monthly newsletter draft
	Called and discussed 2 clients' complaints
	Renewed annual liability insurance

Examples of these tasks would be answering general questions from the public about programs, handling staff or volunteer general concerns about programs, saying daily thank-yous to staff and volunteers, and doing routine facilities tasks. This particular Executive Director decided her work was balanced appropriately for herself and the organization. However, she also realized she did the exercise during a relatively quiet time for the nonprofit and decided to re-do the exercise in a few months when the nonprofit was in its busiest quarter of the year.

### **WHEN SHOULD AN EXECUTIVE DIRECTOR LEAD, MANAGE, OR SUPPORT OTHERS?**

Executive Directors generally understand they have the roles of leading and managing in the nonprofit. Supporting others to allow them to lead is sometimes more challenging. There seems to be an unwritten rule that new Executive Directors

absorb through their pores—that to be a good Executive Director, you always have to be in charge and responsible for every aspect of the organization. You can throw that idea out the window now, because it just isn't true. As a matter of fact, the best and most successful Executive Directors are those that seek out and develop leadership and management qualities in paid and unpaid staff and Board members. In addition, they enjoy empowering others, giving them the responsibility and authority to lead the organization. By supporting paid and unpaid staff and Board members, you can try out new ideas, learn new practices, and grow as an Executive Director. At the same time, you will give others the opportunity to take leadership or management roles, to be innovative, and to grow into their own personal style, deepening your organization's leadership reserves so you can concentrate on the parts of your job that matter most—and even develop the breathing room to take some time off.

Another important reason for playing the supporting role is that Executive Directors should be preparing others in the nonprofit for someday becoming EDs too. Supporting and mentoring those staff and volunteers who aspire to become an Executive Director is especially crucial as a growing number of EDs make plans for retirement. New generations of nonprofit leaders need the training and experience necessary so they can also succeed in this very big job.

### **Exhibit 1.3**

#### **Executive Director as Leader, Manager, Supporter**

*You will lead* when your nonprofit needs direction and focus for relationships that create unity within the nonprofit and stronger communities outside, an inspiring vision to generate passion and excitement, resources that support and enhance success, increased capacity to fulfill the mission, and change to stay effective and true to the community.

*You will manage* when the nonprofit needs tactical plans to keep programs on track and funds coming in, processes and procedures to keep staff and volunteers accountable, budgets and finance reports to ensure sustainability, and written materials to promote the organization and satisfy stakeholders.

*You will support others* when your nonprofit has Board members, staff, or volunteers interested and skilled (or willing to develop skills) in building and sustaining relationships, planning and carrying out programs, making the organization visible, ensuring financial stability and growth, managing internal changes, or tracking external trends.



To discern when to lead, manage, or support, think about your role as ED as outlined in Exhibit I.3.

The lists in the exhibit are not exhaustive and will of course be different for each Executive Director. The main point is that no one person, not even you, can single-handedly juggle all the required activities effectively. Your primary responsibility to your nonprofit is leadership, and that leadership must include the wisdom to know when to become a manager and a supporter. You must know when to seek out and ask for help and when to take time to develop support that will ensure success for you, your nonprofit, and the community you serve. The following story from the field illustrates this point.

## STORY FROM THE FIELD

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After graduating from college with a degree in sociology (and a desire to save the world!), Susan applied for her first Executive Director's job at a family health community clinic. In the interview, she was told that the ten staff people worked together as a collective with equal rights and equal pay, and they only gave anyone the title of Executive Director because their federal contracts mandated it. Bravely, she accepted the position and quickly became immersed in issues of authority, decision making, communication, and control.

Susan understood that the clinic needed a manager who could achieve the level of efficiency required by federal contracts. On a much more vague level she understood that the clinic needed a leader who had a vision and could inspire its independent-minded and passionate people.

Susan began her work at the clinic believing that as an Executive Director, she was in charge of everything, responsible for everything and everyone, had little room for mistakes, and could not allow others in the organization to provide leadership or management.

The toughest lesson for Susan was recognizing that leadership sometimes includes supporting others while they take on this role. Because this was a collective of equals, Susan had to learn that effectiveness as a manager and a leader depended on her willingness to be a supporter—to let other staff people take the lead with their ideas and take responsibility for them. It was frightening at first, especially when she found herself clashing with a few of these capable people. However, when the clinic's Nurse Practitioner came back from a conference with new information on clinic best practices, Susan

asked this individual to lead the effort to integrate those best practices into their organization. As a result, Susan and everyone else saw the clinic's programs becoming more innovative and effective in the community due to the Nurse Practitioner's leadership.

Susan realized she was not the only leader in the nonprofit. Staff, volunteers, Board members, and community stakeholders had expertise in areas and a desire to bring their expertise to the clinic. The creative and innovative people around her had great ideas that they were quite capable of implementing, and they were willing to be held accountable for them.

Fortunately, she recognized the value of these resources. She saw the fallacies of her initial perceptions of what a good Executive Director was and learned the value of supporting other leaders. Her relationships with staff improved and she became a much more effective leader and manager as the staff progressed toward a collective shared vision.

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Susan was able to support other leaders in her clinic because they had a shared vision for their organization and were implementing proven best practices, and they developed metrics to evaluate success. In another example, an Executive Director chose to support two aspiring staff leaders who nearly brought the organization to financial ruin! These two well-meaning individuals did not bother to research best practices prior to implementing a new program strategy, and they did not work with the Executive Director to determine success criteria for the program changes they were making. The result was a failed program that should have been the cornerstone of the organization's mission. In this case, the Executive Director learned the best way to support staff leadership is to make sure they are set up to be successful. Having a clear plan based on best practices and a set of quantifiable objectives helps to make sure that both emerging staff leaders and the organization thrive.

Believing that the Executive Director always has to know the right thing to do in any situation is guaranteed to make the job more difficult than it already is. It's an unfair expectation that too many Executive Directors put on themselves, to the ultimate detriment of everyone. Very often, the best leadership practice is to identify knowledgeable, trustworthy individuals to whom you can delegate and then follow them.

The big job of being an Executive Director has its challenges with the overall role of caretaker and the numerous responsibilities assigned to it. However, the rewards you receive often far outweigh these challenges. Under your care, the nonprofit's programs, staff, Board, and community can thrive. Your own growth as a leader, manager, and supporter can also be viewed as a huge reward on both a personal and professional level.

## **TIPS FOR SUCCESS**

In this chapter, we provide information to help you understand the magnitude and complexities of the Executive Director position. In summary, here are a few tips for success.

- It is important to remember that the Executive Director's role is to be the caretaker of the organization. Everything you do as ED should fulfill this role.
- The very big job of Executive Director takes great confidence, plus a clear understanding that this job is not about you—be dedicated and passionate, but also be objective about the fact that the organization is separate from you.
- Keep focused on your leadership and managerial activities, especially being a leader. Prioritize your days and weeks to keep leadership tasks at the forefront.
- Know who the other leaders in your organization are and support them in implementing their ideas while holding them responsible.
- Feel free to ask for help when you need it. Being a successful Executive Director requires you to lead, manage, and support others inside and outside the organization. But you should fulfill these roles with advice and assistance from others.