STRENGTHENING THE NONPROFIT LEADERSHIP PIPELINE:

PREPARING YOUNG PROFESSIONALS

FOR ADVANCEMENT

by

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ABSTRACT

In the past decade, studies have pointed to increasing numbers of nonprofit executive directors leaving their posts—in many cases, retiring, and in other cases, citing increased fundraising duties, a struggle to achieve a work-life balance, and financial concerns (Cornelius et al., 2008, p. 2). These reports have looked to the next generation of leaders and found that these young nonprofit professionals overwhelmingly feel unprepared for the role. Potential future executive directors worry that they are short on experience, mentoring, and training (Cornelius et al., 2008, p. 2), and, the duties involved do not look attractive to them. Nonprofit organizations employ 10% of the nation's private workers (Salamon 2012, p. 8), and together this workforce addresses issues like homelessness and hunger; upholds special values, such as faith and community; responds to the needs of minority populations; and operates centers for the arts and education. In carrying out these activities, nonprofit employees face large workloads, often with inadequate technology, training, and equipment, and low compensation. These challenges, and other perceived drawbacks, make for a workforce that is hesitant to rise to the executive director position. This is an issue of particular importance as scholars anticipate large turnover within the sector as baby boomers retire from their executive posts, leaving a number of openings for the next generation of leaders (Tierney 2006, p. 551). This paper provides updated research examining young—defined here as those under age 40—nonprofit employees in the state of Delaware, their attitudes toward taking an executive director position in the future, and steps that can be taken to develop a leadership pipeline to ensure the strength of the sector in the future.

Chapter 1

INTRODUCTION

Nonprofit organizations play a critical role in the United States, contributing to the economy, providing important social and cultural functions, and filling vital service gaps left by both the government and private for-profit sector. But there is warning of a looming crisis. With Baby Boomers retiring from their top leadership posts at nonprofits nationwide, more executive director positions are and will be vacant than ever before. One study projected a need for the "senior leader workforce" to more than double in the span of a decade, without enough emerging leaders to fill them (Tierney, 2006, p. 552). These concerns are compounded by research from the 1990s and 2000s showing that young leaders felt neither ready nor willing to fill these vacated executive roles due to concerns about low salaries, challenges balancing work and home life, dissatisfaction with working in resource-scare environments, and wariness of advancement given a lack of mentorship in the field (Cornelius et al., 2008, p. 2-18; Cryer, 2004, p. 16; Light, 2002, p. 12-13). While the research of past decades is informative, it is now dated. Do these concerns still affect young nonprofit leaders' attitudes toward the sector and directorship? Are young leaders still looking to leave the sector? Are they still hesitant to consider executive directorship? What are their current attitudes toward their work? And, if they are still reluctant to take on executive roles, what might be done to make them feel ready and willing to lead in this critical sector?

APPROACH AND METHODOLOGY

The research contains a study in two parts: The first, a review of relevant nonprofit literature, and second, an empirical component based on a focus group conducted with young nonprofit professionals in Delaware, aimed to provide updated insight on nonprofit leadership issues.

The literature review aims to provide an understanding of issues related to nonprofit workers and the potential leadership gap. The first part of the literature review focuses on key functions and importance of nonprofits in the U.S. and why leadership is so significant in this sector. The next portion provides more detailed insight into young nonprofit professionals' hesitance to consider executive directorship, and provides an a review of their attitudes toward their current work. The literature review involved both online and print sources. A majority of the works used were found through the University of Delaware's online library catalogue, DELCAT. The most successful search terms included: nonprofit leadership, intergenerational workplace/ workforce, nonprofit succession, and a combination of terms relating to generations (i.e. Baby Boomer, millennial) and work (i.e. workplace, employees, work).

The second portion of research for this thesis involved original research that took the form of a focus group held with 12 young nonprofit professionals working in the state of Delaware. All were invited based on their participation in a master's program in Public Administration or Public Affairs at the University of Delaware. Questions for the focus group were developed based on major themes from the literature review, and complete methodology for the focus group appears before the focus group results section. Attendees were led in discussion on topics about the perceived positives and negatives associated with leadership positions in the nonprofit sector. The full set of questions can be found in Appendix A.

The chapters that follow are structured based upon the elements of this thesis. Chapter 2, America's Nonprofit Sector: Its Importance and Leadership Challenges, contains the first and broader portion of the literature review on the dynamics of the nonprofit sector in the U.S. and frames the leadership challenges affecting the sector. Chapter 3, Previous Research Findings On Perspectives Held By The Young Nonprofit Workforce, reports on prior findings regarding young nonprofit professionals'

attitudes on the benefits and downsides of nonprofit work that affect their continued presence in the nonprofit leadership pipeline. Chapter 4, Focus Group Process and Results, contains a description of the focus group process, participation and protocols, as well as the general findings that have bearing on young professionals' willingness to assume nonprofit directorship roles as Baby Boomers leave their positions. Chapter 5, Analysis and Implications of Findings, offers an appraisal in light of this project's focus group results of whether prior concerns (voiced in earlier research) are still warranted. This chapter contains recommendations on practical initiatives that might help young nonprofit workers be more willing to take on top nonprofit leadership positions in the near to mid-range future.

Chapter 2

AMERICA'S NONPROFIT SECTOR: ITS IMPORTANCE AND LEADERSHIP CHALLENGES

Nonprofits play a critical role in American society. Even in the early 1800s, when the French political philosopher Alexis de Tocqueville examined the unique qualities of the then newly independent nation, he was intrigued by the American tendency to form civil associations around even the smallest matters. De Tocqueville believed that through these associations, average American citizens were able to maintain control over democracy and to learn to "voluntarily help one another," in effect "enlarging the heart" in society (de Tocqueville, 1835, n.p.). Today, nonprofit organizations are able to uphold these same strengths de Tocqueville identified nearly two centuries ago. Contemporary research by political scientist Robert Putnam found that a key characteristic of successful regions and communities involves the presence of formal civil associations—voluntary nonprofit organizations like civic improvement associations, choral societies, policy advocacy groups, football clubs, etc. (Putnam, 1995, p. 65). These entities help create "social capital," in the form of networks, norms, and social trust, that are critical assets to the community (Putnam, 1995, p. 66).

Nonprofits are held to play a critical role in contemporary society filling critical service gaps left by both the private for-profit sector and the public governmental sector (Wuthnow, 1995). With regard to the former, consider that the private sector is market-driven: the ultimate goal is maximizing profit. Products are provided to consumers based fundamentally upon their willingness to pay. Market pricing by for-profit entities can exclude individuals from needed services they cannot afford, and foster inequity in the community, which is often where the nonprofit sector comes in. For example, while everyone needs food, the private sector has little incentive to make food very cheap (or free) in order to feed those who cannot afford it. And because for-profit organization advertising and marketing is targeted at mass society, some also describe the private sector as alienating, which creates another space where the nonprofit sector can serve an important humanizing role (Wuthnow, 1995, p. 213).

The public sector, or government, in contrast, provides its goods and services according to the will of the majority and to constitutional principles of equitable treatment. Equitable treatment means government must provide its services in a largely uniform way and cannot tailor services to the particular needs of individuals or groups, as nonprofits can. The government cannot uphold certain values or particularities, especially those that are values-based or religiously-based, as the nonprofit sector often does. Further, majoritarian decisionmaking constrains government action, meaning government will be more responsive to interests of the vast majority of the public, often to the neglect of needs of smaller minority populations and interests (whether they be someone with a rare disease, recent immigrants, racial minority groups) (Wuthnow, 1995, p. 215). It is the nonprofit sector that frequently fills this void.

Plus, because government changes with each election, its influence in certain areas can shift—someone who has Supplemental Nutrition Assistance Program (SNAP) benefits one year, for instance, may not get them the next year, depending who is holding political power. Nonprofits can provide an important source of stability for many constituents, whose services might otherwise change with each election cycle.

The nonprofit sector can and does organize around values solely for the values' sake, and can and does seek to address minority or underrepresented causes (Wuthnow, 1995, p. 215). In doing so, it plays key roles in advocacy, community-building, service delivery (Salamon, 2012b, pp. 12-13). In Delaware, organizations carry out their ability to unite, serve, and represent people and causes in a variety of ways. The Islamic Society of Delaware meets the needs of the Muslim population in the state with schools and religious services; the Food Bank of Delaware distributed more than 6 million pounds of food to hungry Delawareans last year ("Food Bank FAQ," n.d., n.p.); Bike Delaware promotes safe and convenient biking in the state; and the Delaware Center for Inland Bays plays a vital role in promoting the environmental health of the state's watersheds. This is just a small sample of nonprofits working to support people in need, unite residents around important issues, and give voice to causes that might not otherwise get recognition either by the public or government.

The nonprofit sector in the U.S. is large and economically important, comprised in the late 2000s of nearly 2 million organizational entities, about 1.6 million of which are public serving, charitable

enterprises (Salamon, 2012b, p. 7). In Delaware in 2014, there were 3,100 public charities registered, and an additional 1,230 registered private and public foundations (The Nonprofit Sector in Delaware, 2014, p. 1).—in Delaware, nonprofits generate revenue over $4.8 billion annually, and hold $14.1 billion in assets (The Nonprofit Sector in Delaware, 2014, p. 1). Given these monetary figures and their ability to meet essential needs, nonprofits are a critical contributor to the nation and state.

THE NONPROFIT SECTOR WORKFORCE

Scope and dynamics of the nonprofit workforce

With an estimated 10.7 million paid employees in 2010, nonprofit organizations nationally employ 10% of the nation's private workers, making it the third largest workforce among industries in the U.S. (Salamon, 2012a, p. 2). In Delaware, 11.4% of the workforce is employed at a nonprofit organization (The Nonprofit Sector in Delaware, 2014, p. 1). Nonprofits account for especially large shares of U.S. employees in the education, social assistance, and health service fields (Salamon, 2012a, p. 3). In addition to paid employees, nonprofit volunteers working the equivalent of full time number upwards of 4.5 million (Salamon 2012b, p. 8). In 2013, these volunteers contributed $173 billion worth of work nationwide (Volunteering and Civic Engagement in the United States, 2014, n.p.), allowing limited resources at organizations to stretch even further and providing a means for citizens to engage civically (Wuthnow, 1995, p. 213). Even as the for-profit sector lost paid jobs during the recent recession, the nonprofit sector gained them at an average rate of 2.1% between 2000 and 2010 (Salamon 2012b, p. 5). Nonprofits grew during the recession, in part because the sector served a countercyclical function, meeting the expanded need for services attributable to widespread economic hardship in the wake of the Great Recession.

The importance of leadership in the successes and failures of nonprofits

Leaders are vital to the success of organizations, both within and outside of the sector. At nonprofits, where small staffs may be serving hundreds or thousands of constituents, leadership matters even more. Nonprofit organizations have taken the lead on issues ranging from climate change to global poverty to the eradication of disease—these organizations impact real lives, sometimes in profound ways, so it matters who is directing these initiatives.

Even more so, nonprofit leaders are those the world looks to as examples of individuals who provide hope and drive change. In his foreword to "Public and Nonprofit Leadership," an anthology of

works on leadership in mission-driven workplaces, Jim Kouzes describes his research interviewing thousands of people about a historical leader who they would willingly follow. In the 25 years Kouzes and his research partner, Barry Posner, have asked that question, the leaders on that list have overwhelmingly been comprised of "people with strong beliefs about matters of principle" and "are largely from the domains of nonprofit and public leadership" (Kouzes, 2010, p. xvii). Leaders, he explains, have a tremendous impact *internally* on their employees, influencing their career paths, their decisions to stay or go, how well they perform on the job, and the values they uphold in their efforts (2010, p. xix). Leaders are important *externally* as well, and in profound ways at nonprofits, where they can make the difference in the number of people being served and the quality of the service they receive. At the same time, a negative leader can cause a ripple effect across the sector; when one organization is found to mismanage funds or programs, for example, the whole sector can be framed as ineffective or poorly operated. Take the high-profile example of William Aramony, who stepped down as CEO of United Way when accusations surfaced about his use of the organization's funds to support his luxurious lifestyle; he and two others were later indicted on 71 counts of fraud, conspiracy, tax evasion, and money laundering (McFadden, 2011, n.p.; Shapiro, 2011, n.p.). Cases like these raise the public's suspicion of charitable organizations, not only impacting overall philanthropic giving, but also affecting the public's views about the worthiness of supporting organizations with higher salaries and overhead, an issue that becomes important when we look at employee attitudes toward work in the sector.

A looming leadership crisis for the nonprofit workforce?

There is concern over the future of nonprofit leadership. Research points to an impending wave of baby boomer retirements from nonprofit executive director positions—one study said the sector would need 640,000 new senior leaders cumulatively in the period between 2007 and 2016, which would require the "senior leader workforce" to more than double in a decade (Tierney, 2006, p. 552). This trend is playing out at nonprofits across the U.S.—a quick search of the March 15 job board for the Delaware Alliance for Nonprofit Advancement (DANA) showed that 20% of nonprofit openings in the state were for executive director or senior-level-equivalent positions. The need is now for millennials and members of Generation X to take on these leadership posts. According to observers and scholars researching

nonprofits, there is reason to worry that leadership roles are being vacated at a rate faster than they are being filled, in part because of a lack of interest in the roles (Cornelius et al., 2008) and in part because of the sheer difference in size between the generations. Tierney writes of the "vacuum" created simply because there are fewer people in the generations succeeding the boomers (2006, p. 552). All of this is occurring at the same time that the number of nonprofits has tripled in the last twenty years (Tierney, 2006, p. 553), meaning demand is higher than ever before.

But perhaps most concerning of all is that current executive directors do not plan to stay long in their present posts. One study found that three out of four executive directors were planning to leave their jobs within five years, citing increasing fundraising duties, struggling to achieve a work-life balance, and financial concerns (Cornelius, et al., 2008, p. 2). Even anecdotally, the trend has been noticed. A special section of the *Chronicle of Philanthropy* focusing on leadership succession was published in January of this year. One piece within it noted that "nonprofits and foundations across the country are seeing churn in the leadership ranks—often baby boomers giving way to Gen X. In Charlotte, N.C., for instance, dozens of leaders have stepped down in the past couple of years, many after decades at the helm" (Chronicle of Philanthropy, 2015, p. 17).

Even more significant than these rising vacancies themselves, however, is the future willingness— or lack of willingness—among younger nonprofit professionals to assume these roles if the position becomes available to them. The following chapters will explore the attitudes of younger employees toward their work in the nonprofit sector and their attitudes toward assumption of executive directorship roles. But first, it is important to examine the prevailing characteristics of the generations currently holding these positions and those who may one day assume them. Understanding these differences can reveal potential generational issues that could shape the recruitment of new leaders.

The generations

Baby boomers (both between 1946-1964, just after WWII) "believe in hierarchy" at their organizations and "assume they have the power to make change" Kunreuther et al., 2008, p. xix). Boomers faced the Reagan administration's cuts to social services and social service providers (mainly nonprofits), so they have experience fighting the government for money and experience with it being

taken away (Kunreuther et al., 2008, xxii). Many boomers founded their organizations and have been leading them since that time.

Unlike the boomers, members of Generation X do not shun for-profit entities (Kunreuther et al., 2008, p. 39), and, in fact, oftentimes came to nonprofit work after working in the corporate world (Kunreuther et al., 2008, p. 40). Generation X sees the management and financial skills developed in corporate offices as valuable to nonprofits, from an organizational standpoint (Kunreuther et al., 2008, p. 40). Members of this group are known as realists, and like those younger than them, are likely to have been inspired to work in the social sector as the result of service trips during college, recreational programs, or time spent serving abroad (Kunreuther et al., 2008, p. 39). In contrast, boomers have more so been moved to join the sector because of personal transformation during events like the civil rights movement.

Millennials (born between 1980-2000) believe "they will make a difference through their practical know-how" (Kunreuther et al., 2008, p. xx). Millennials are said to "love group work, cooperative activities like volunteer service, and participation in something larger than the individual" (Cryer, 2004, p. 30). Also important to note—because millennials often have "helicopter parents," their first job represents "all they've worked for over the past 22 years," so even entry-level positions must have some appeal or level of esteem (Cryer, 2004, p. 30).

Both the millennials and members of Generation X show concern about work-life balance, especially young men (often new fathers), to a greater degree than boomers. In one study, no boomers mentioned work-life balance when discussing workplace concerns—given that the time in their lives when it might matter most had passed, it seemed to have escaped their minds completely (Kunreuther, 2003, p. 454). It is easy to see how this might create conflict in the workplace (Kunreuther, 2003, p. 454).

It is important for those looking at the future of the nonprofit sector to recognize that the younger generations are likely to be "sector agnostic" and look to do good in any field (Cornelius et al. 2008, p. 3). Nonprofits may not always hold sway against other sectors if younger workers see opportunities to do good in other ways. It is also the case that they may be approaching the makeup of organizations

differently, as well. Kunreuther, who studies generational differences in workplaces, broke these into four points (2008, p. 134)

- They are embracing social entrepreneurship.
- They are running organizations with more than one top leader.
- They're implementing participatory decision-making.
- They're distributing leadership throughout the organization.

As evidenced by Kunreuther's observations, the dynamics of "doing good" are changing. This year, for example, just over half of all applications to Echoing Green were for for-profit or hybrid (jointly for- and non-profit) proposals (2015 Snapshot, 2015, p. 1). Echoing Green provides seed funding to rising social entrepreneurs. This shift marks an increase in these kinds of applications by 35 percent since 2006 (2015 Snapshot, 2015, p. 1), highlighting how younger people who are motivated to do good may not necessarily see the nonprofit sector—as we know it—as the most effective way to achieve impact. In contrast, a report from the American Express NGen Fellows Project that states that young leaders see the nonprofit sector as "most effective in solving society's most pressing social issues," ranking it higher than government or for-profit entities in this category (2010, p. 5). So, while trends show a move toward hybrid organizations, young leaders still see nonprofits as worthwhile instruments of change. Those looking to recruit young leaders to nonprofit work should keep in mind, however, that younger professionals are looking for different features, such as those described by Kunreuther, in their ideal work environment.

Conclusion

The nonprofit sector holds a critical role in the U.S. economy and in the well-being of its citizens. Because of its integral role in society, leadership matters. An executive director at a nonprofit has the power to transform lives, and he or she can also affect the public's perception of all nonprofit organizations. Research has pointed to a potential nonprofit leadership crisis, given high numbers of retiring executive directors, indicators that directors want to leave their current posts, and a lack of interest

in pursuing directorship from young nonprofit professionals. With these phenomena come a need to pay attention to the preferences of members of Generation X and the millennial generation, from which the nonprofit leadership pipeline will draw talent to fill the roles of departing baby boomers. Having examined differences between the generations, it's necessary to examine more specifically what research identifies as the attitudes of the younger generations toward their nonprofit work. The next chapter examines what earlier research has revealed about the attitudes of young nonprofit professionals hold toward their work in the sector, and their perspectives on the challenges that might deter them from filling the anticipated executive director openings.

Chapter 3

PREVIOUS RESEARCH FINDINGS ON PERSPECTIVES HELD BY THE YOUNG NONPROFIT WORKFORCE

Existing studies conducted principally in the 1990s and early 2000s reveal much about the satisfaction of current professionals in the nonprofit workforce. These 10.7 million nonprofit employees—and millions more volunteers—often choose nonprofit work for reasons that are very distinct from those motivating for-profit or public work. While this paper seeks to explore the motivations of those already in the sector who are choosing to pursue—or not to pursue—the executive director role, we must first understand the health of the workforce as a whole, given that many executive directors will have first spent some time in other positions. In moving toward understanding leadership pathways and attitudes toward higher-level jobs, it is necessary to look at nonprofit employees' perceived benefits and drawbacks of work in the sector.

Perceived benefits of working in the nonprofit sector

Mission, Calling, Sense of Purpose

Prior research has shown that a key reason people seek out nonprofit work is because they are drawn to the mission of their organization (Light, 2002, p. 10). Many describe feeling "called" to work in their field (Light, 2002, p. 8), and the research highlights that nonprofit workers find a sense of purpose and fulfillment in their jobs, especially when compared to employees in both the public and private sectors, where employees were twice as likely to say they are more likely to come to work solely for the paycheck (Light 2002, p. 10).

In his 2002 study of the nonprofit workforces, public service scholar Paul Light identified the major strengths of the sector in its appeal to works. Chief among these was the "chance to accomplish something worthwhile" (Light, 2002, p. 9). In a similar study, personally fulfilling work was the most

frequently mentioned item pertaining to participants' satisfaction with their work in the sector (Cornelius et al., 2008, p. 11). In the same study, one participant is quoted saying:

> Every day, I get up and think, 'You know what? I'm going to do good things today. I'm going to help children and families.' (Cornelius et al., 2008, p. 12).

Take the example of Justine, a woman Alan Khazei introduces in his book "Big Citizenship," which chronicles his founding of City Year and details how ordinary citizens can make social impact. Justine's story highlights that the pull toward a cause is a major motivating factor for those pursuing nonprofit careers. Khazei writes:

> Justine was running two successful children's toy stores in Brookline, Massachusetts called No Kidding! One day, reading the newspaper, she was struck by an article about a five-month-old foster baby who had been kidnapped from the crib. Then and there, she decided to become a foster parent. But she didn't stop there. She studied the foster care system and realized it was flawed […] So Judy sold her stories, moved to Easthampton and established the Treehouse Foundation, which is a residential and intergenerational community that offers a comprehensive approach to meet the needs of foster children. (Khazei 2010, p. 13)

Stories like Justine's are common in the nonprofit sector—many are driven by concerns about a certain social issue or special interest, and thus they find meaning in doing work around that mission.

Interesting work that challenges and develops me

Light identified "work that talented Americans want" as another key component of nonprofit employee satisfaction (2002, p. 9). Pointing to the sector's strengths in these areas, he cited surveys he conducted that found that 69% of nonprofit employees could describe how their job contributed to the organization's mission, that 75% strongly disagreed that their work is boring (as compared to 57% of public and 58% of private-sector employees). "Growth on the job" was also key to similar studies:

> I think because we're a learning organization…[people] are able to find the opportunity to continue developing themselves in the association, with the organization. I think that's the big draw. (Cryer, 2004, p. 15)

The number of nonprofit employees who said their workplace gave them the chance to do the things that they do best was over ten percentage points higher for young nonprofit workers than for their counterparts in both the government and private sectors (Light, 2002, p. 11).

An Environment of Creativity and Innovation

Nonprofit professionals also said they felt encouraged to take risks or try something new in regards to the way they do their work (Light, 2002, p. 11) The nature of nonprofits allows them to innovate, so one can understand how employees are enabled to do challenging, creative work (Salamon, 2012b).

Workplace Culture that offers Connectedness, Flexibility and Fun

Nonprofit employees were also more likely to report having a positive work environment and high morale among staff. They often refer to their organization as a "family" (Cryer, 2004, p. 15) and call their work environments "a lot of fun" (Cryer, 2004, p. 16-17). They also enjoy working with people who are committed to the same causes that they are passionate about (Cryer, 2004, p. 15)

Flexibility and a relaxed environment are also significant upsides for nonprofit employees, especially for young professionals who are balancing work with family life (Cornelius et al., 2008, p. 12). In one study, a respondent noted an office environment where it was okay to occasionally bring her young children to the office (Cornelius et al, 2008, p. 12).

With little wiggle room to negotiate salaries, nonprofits often use hours and schedule flexibility as negotiation points (Cryer, 2004, p. 14). Often as a tradeoff for low salaries, nonprofit employees report having good non-salary perks (Cryer, 2004, p. 16). In a study by Next Gen, some of participants said their organizations offer childcare, more paid time-off than one might find in other jobs, and good health benefits. In this same study, some pointed to issues at their organizations keeping up with providing better benefits packages (Cryer, 2004, p. 16-17). Many times, these tradeoffs are negotiated simply with more flexibility in working hours.

These findings hold promise for those looking to enter to sector. Cryer found that "have an impact on the world," "doing work that requires creativity," "inspiring colleagues," and "flexible working hours" were all top concerns for college seniors—all of which are attributes of nonprofit work (Light, 2002). However, prior research has also shown reason for concern about whether young nonprofit workers would stay in the sector and remain in the pipeline for possible transition to top executive director roles.

Nonprofit Worker Perspectives on Drawbacks and Concerns

Despite high payoffs in terms of a sense of purpose, challenging work, and inspiring colleagues, research studies have shown that nonprofit workers also report a number of drawbacks to employment in the sector. Though all fields of work have their downsides, employee satisfaction is particularly important in the nonprofit sector, where these employees are carrying out work that affects others' lives.

Dissatisfaction in the field can cause some to leave for for-profit careers, taking their talents outside the nonprofit executive pipeline. And, for those who (despite the challenges) intend to stay within the sector, the discontents of their standard employment may make them hesitant to take on the executive positions—something that could become problematic as we look toward needs for a new group of top leaders in the upcoming years.

To better understand why younger leaders may not pursue the executive director role, we must first examine the negative perspectives that have been most widely observed in prior studies of the sector.

Low Salaries in the Face of High Student Debt

From the outset, the term *non*-profit can instill fear in young workers, who may have student debt or financial concerns about taking care of a family. Low salaries are a reality of nonprofit work and a significant impediment to organizations' retention of talented employees. This is a group in which 1 in 5 respondents surveyed in one report said they were concerned about paying off their student debt in a reasonable time frame (Cornelius et al. 2008, p. 18). One of Cryer's focus group respondents noted that at the respondent's nonprofit, the starting salary did not even cover living expenses in the region—meaning that many of their young professionals were "either still living with roommates or still living at home" (Cryer, 2004, p. 16). Overall, Ready to Lead tallies 64% of their survey respondents as having "financial concerns about committing to a career in the nonprofit sector" (p. 18). Among these concerns are those about retirement, supporting their desired standard of living, supporting a family, and affording a home in the area of their choice (Cornelius et al. 2008, p. 18).

Why don't these employees ask for a raise? Consider how a raise might be perceived in a mission-driven environment. In many organizations, it is well known that a dollar directed to employees may be a

dollar directed *away* from constituents. Additionally, with salaries publicly available on 990 forms and with donors looking for evidence of tight management, high overhead can be perceived as an organizational flaw. One study identified the perception that charitable work ought to be kept "pure," further highlighting how low pay is ingrained in the way society thinks about nonprofit work:

> Even those of us who know better sometimes fall prey to the notion that important charitable work can and should happen at a discount. This same idea animates the view that professionals who toil at nonprofits ought to work longer hours and for less pay than their for-profit counterparts. Where does this idea come from? … Our desire to cut out the middle men -- those who actually feed the hungry, house the homeless, and heal the sick -- might also be rooted in the notion that acts of giving ought to be kept 'pure.' (Cornelius et al., 2008, p. 3)

Working in a Resource-Scarce Environment

In general, the lack of fund at nonprofits—or rather, the direction of funds toward programs rather than overhead—leads to additional downsides for employees. Because nonprofits must compete for charitable donations, there is pressure to keep internal costs low. Nonprofit workers have been shown in prior research to have significant frustrations and concerns about:

- **Lack of Investment in Training** In doing so, things like training and equipment can get pushed aside; 31% report that their organizations rarely or sometimes provide access to training (Light, 2002, p. 13) and

- **Limited Technological Investment** 28% say their organizations rarely or sometimes provide access to adequate technology (Light, 2001, p. 13).

- **Staff Turnover, which stresses the organization** The challenges of turnover happen across the board at nonprofits, from executive directors to frontline workers, where benefits and safety issues add to recruitment and retention issues (Salamon, 2012, p. 39). This high turnover also places a strain on those responsible for HR duties, which, at many nonprofits, fall to the executive director (Cryer, 2004, p. 12).

- **Low staffing causing burn out** Sometimes tied to high turnover, and other times related to small budgets, many nonprofit employees feel that they are not enough employees at their organization to do the job well (Light, 2002, p. 13). This leaves them feeling that they "always have too much work to do" (Light, 2012, p. 13). Ultimately, this low staffing leaves 41% of nonprofit employees saying they are burnt out in their current positions (Light, 2012, p. 14).

Lack of Mentorship

A lack of mentorship is another major drawback, and, like training, can keep younger employees from either seeking higher positions or from obtaining them if they do pursue them. Cornelius et al. noted the lack of mentorship in the field as "frustrating" for employees, and suggest that the lack of mentorship is in part because nonprofits tend to look to executive talent externally—meaning there is less incentive to tend to the leadership development of younger employees (2008, p. 2). When upper-level leaders are not expecting lower-level employees to take their role, grooming and guidance can fall to the wayside. Younger nonprofit employees consequently are often pulled away from their positions in favor of similar for-profit careers (Cryer, 2004, p. 17).

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Attitudes Toward Executive Directorship

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Potential future executive directors expressed concerns about a lack of mentorship, unclear career trajectories, lacking adequate training, and feeling that there aren't enough employees on the team to do the job well. And, as demonstrated by previous chapters, young nonprofit professionals already struggle with some of the downsides of their current positions, making advancement in the same organization seem undesirable. For those who are hesitant toward taking on executive directorship, concerns stemmed from three main issues: lifestyle concerns, concerns about the work itself, and a feeling of unpreparedness for the role.

Young nonprofit professionals have concerns about work-life balance and unappealing major duties

According to previous research studies, many young nonprofit professionals have concerns about the lifestyle of a top nonprofit leader. In one study, those who indicated to researchers that they were choosing not to pursue an executive director position said they:

- 40 % fear problematic work-life balance

- 26% fear they can't have the family life they want (Cornelius et al. 2008, p. 18)

This makes sense, given that the millennial and Generation X employees are at an age where they are starting families and may be struggling to balance their home and work lives, even in their non-executive positions. As mentioned in the earlier consideration of generational differences at nonprofit workplaces,

members of Generation X and millennials express significant concern about work-life balance—especially young men, who are often new fathers (Kunreuther, 2003, p. 454).

The literature also points to potential future executive directors having concerns about the responsibilities required in the role. Studies show that:

- 41% do not want to take on the fundraising duties

- 25% say their skills and interests are better suited to program work (25%) (Cornelius et al. 2008, p. 18)

Young nonprofit professionals do not feel prepared for the role

Here it is also important to note that those who enter the sector because of the mission may not necessarily have the training for the administrative and management tasks that await them in the executive director position. Frequently, taking on the executive director role requires a jump from one primary job duty to another. For an employee who has experience in programming, for example, the fundraising duties of a director may be completely new.

The primary finding of "Ready to Lead" was that there are at least some young professionals who may be *willing* to lead, but they do not feel *ready* to lead—those who said they wanted more preparation before taking an executive director role said they specifically wanted to develop their connections and network, wanted to gain more technical or managerial skills, needed to improve their leadership capabilities, and needed to build their confidence (Cornelius et al., 2008, p. 2).

Conclusion

Literature shows that nonprofit professionals are engaged with their current work and find it deeply rewarding, often referring to their job as a "calling" and to their coworkers as "family." However, they also cite drawbacks to their current roles the sector, such as lack of training and low salaries, which primarily stem from tight budgets and pressure to keep overhead low. When considering executive directorship, attitudes were largely hesitant. The perceived drawbacks to executive directorship included fears of burnout and poor work-life balance, a preference for their current job function, and concerns

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about the fundraising duties involved. Prior research also revealed concern about preparation for

executive directorship, with many worries centering on personal development and confidence.

Chapter 4

FOCUS GROUP PROCESS AND FINDINGS

Having reviewed the findings of prior studies, a major issue might be raised: many of these findings were published 10 to 20 years ago, prior to the financial recession and prior to positive developments in human resource policies, such as paid sick leave, minimum wage increases, proposals to reduce student loan debt for those in public service. Technological developments have also made software and equipment more complex and more affordable during this time period, making fundraising and social media more available to enhance nonprofit visibility and activity. Since the publication of these studies in the late 1990s and early 2000s, has the situation improved with respect to the prospects for young nonprofit leaders being willing to take on executive director roles? What are their current attitudes, positive and negative, toward nonprofit work? What are current attitudes toward their assumption of executive director positions that are soon to be vacant? Has the situation improved at all from concerns expressed earlier? And what ideas do they have about what would help make them willing and able to lead this critical nonprofit sector? The original research reported on in this and the following chapters aims to answer these questions.

Methodology

After securing Institutional Review Board (IRB) approval, a focus group was held in the Community Services Building in Wilmington, Delaware in March 2015. Participants were selected to participate in the group because of their prior involvement in nonprofit courses that were part of the University of Delaware's Masters of Public Administration or Masters in Urban Affairs and Public Policy programs. All were deemed young employees in the nonprofit sector; 11 participants were under age 40, and one participant was 43. As such, all participants were members of either Generation X or the millennial generation. All worked at Delaware-based nonprofits. Most worked at small to mid-sized local organizations; three worked at local branches of larger national nonprofits; a list of organizations

represented is included in Appendix B. To facilitate discussion, participants were first asked to complete a brief worksheet that asked about their current and former nonprofit employment, about the things they liked most and least about their work, about their desired career paths, and about any professional development they had received for their nonprofit sector work. The discussion that followed their completion of the forms was structured around the three points below; specific questions can be found in the appendix.

1. Experiences in nonprofit employment. This section covered the most significant benefits and drawbacks to work in the nonprofit sector.

2. Attitudes toward potential future assumption of executive director roles. This section focused on whether participants would aspire to this role and whether they would do so "with enthusiasm."

3. Reforms or changes that would encourage millennial and Generation X leaders to assume top leadership roles. What would help make them feel prepared and willing to take on executive directorship?

The following chapter will highlight key findings and assess what they mean for the future of nonprofit leadership. The findings will also point to changes that can help ensure the next generation of leaders are ready and willing to take the helm in top leadership positions in nonprofit sector organizations.

Reported attitudes toward nonprofit employment

The following section explores the focus group participants' attitudes toward nonprofit employment. Responses from the focus group confirmed many of the findings from research conducted earlier in time, though there were notable differences. Key among those differences were that we did not hear any participants express a desire for departure from the sector, though the literature suggested that younger employees may be apt to leave for more lucrative careers in the for-profit sector. In a similar vein, the participants did not express the level of dissatisfaction with their salaries that the literature suggested they might. Overall, participants were highly satisfied with their ability to "do good," with their workplace environments, with their coworkers, and with the work they are responsible for doing. Primary drawbacks for these young professionals included training, turnover, struggles with work-life balance and related issues.

<center>**Positive Perspectives Held Within the Nonprofit Workforce**</center>

Mission, Calling, and a Sense of Purpose

Participants became energized when talking about their passion for the work itself. On the questionnaires distributed before discussion, every respondent noted the work itself as a "best" attribute of nonprofit employment. Participants' mention of the work itself included phrasing such as, "working with clients," "empowering youth," "working directly with children and families," and "connection with people in need/making a difference." Among participants, the potential for impact seemed to be the driving factor inspiring their work in the sector (with one even mentioning that there's a "value you take from doing the work beyond the paycheck"). The group was engaged and enthusiastic as they described their high satisfaction with doing mission-driven work. Key comments included

> Its just the passion behind serving -- it's just a community in such need, and being able to help them, it's just a wonderful feeling.

> [What's key is] the community that I get to work with. Being able to work with individuals who are coming from less than ideal circumstances and being able to help them and realize they have dreams they have, or goals they have.

> The main reason that I've been [doing this] now for well over a decade is the impact everyday that you can have. Your decisions that you're making, your work that you're doing, you can almost see it translate the next day, that afternoon, the next month. There's real impact and real consequence to what you're doing, and that's what's kept me.

> It's that mission focus, having passion, educating the community, and then having that impact on our consumers.

Interesting Work that Challenges and Develops me

Participants described having work that challenges and develops them in part because their organizations are stretched thin, requiring employees to wear multiple hats. In their questionnaires, answers to "what do you like best about nonprofit employment?" included growth-minded language such as, "being busy—marrying lots of different responsibilities," "learning every day," "stretched to take on new projects and responsibilities often." One wrote that in Delaware, the "workers are few, the work is plenty, and so you gain excellent experience in many areas." Another described that in her job as a

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program manager, she also gets to write grants and conduct research. The need to wearing multiple hats was seen as a positive, as described by one respondent below:

> I think most of us are challenged daily to take on more than we think we can do. Most nonprofits are stretched thin, people wear multiple hats, and sometimes that's not something I like, but most often it means I'm developing as an individual whether I want to or not. So, the opportunity to take on those big projects that in any other sector you wouldn't be trusted to do as a young professional, that's a huge opportunity for growth and development.

It is worth noting, however, that on the participant questionnaires, several also listed the "many hats" idea (carried to the extreme) to the "burnout" and "poor work/life balance" that they like "least" about the sector; these aspects of nonprofit employment are discussed in the "drawbacks" section of this thesis.

Workplace Culture that offers Connectedness, Flexibility and Fun

When discussing workplace culture, participants emphasized colleagues who inspire them and who collaborate more than compete. Participants described their colleagues as "like minded" and sharing the same values and passions. Several described appreciating non-competitive environments where colleagues were willing to collaborate because of a shared mission:

> It's a very supportive environment. So I don't feel like I'm in competition with other people. When I need help, I ask for it. When I see other people need help, I can pitch in. And there's not a feeling of, *Well why is she doing this? Why is she trying to?* It's more the bigger picture that we are trying to make a difference in peoples' lives.

> When we're talking about collaboration and teamwork with coworkers, you feel empowered in your position and in empowered in your mission to help those that you serve.

> A mission focus. That we can have a group of like-minded individuals that are passionate about the same issue.

On a more practical side, a workplace culture that emphasizes flexibility was named another benefit to working in the sector. Three participants put schedule flexibility as one of the top 3 benefits of work in the sector in their opening questionnaires. During discussion, one participant described that she was able to get her graduate degree while still working full time; when her classes overlapped with her workday, her nonprofit director was understanding and supportive. This same participant is a new mom and is now allowed to work from home one day a week and said she thinks that generally, "external

circumstances are a little bit more well-received" and accommodated in the more flexible workplace culture of nonprofits.

Perceived Drawbacks of Work in the Nonprofit Sector

While personal salary itself did not appear to be as significant an issue as earlier research had suggested (perhaps because the Great Recession has dampened salary expectations overall), questions about resource scarcity were of importance to the extent that they impacted availability of training for these young professionals to help with their own job effectiveness and self development. It was also found that working in a resource scarce environment impacts churning within the organization, which in turn affects the working conditions for the rest of the employees, at times leading them to feel "stretched thin".

Training and Technology

Many participants cited a lack of training as a major drawback at their organization. Participants said provision of training opportunities for staff may make it onto the agenda for action at their organizations, but it typically falls off the list in favor of addressing more urgent concerns. Respondents especially cited a need for training in order to complete the tasks they are asked to do that would not normally fall under their specific job title:

> Lack of training-- You know, when your job is [fund] development but suddenly we need a poster—well, I'm not a graphic designer! I need some sort of training with adobe Photoshop, or if there's an expectation to achieve a certain thing, I need to be given the tools and the resources to achieve what you're asking me to achieve.

Concerns about inadequate technology did not feature as prominently in discussion as it did in some components of the literature review. However, one respondent struck a chord when she noted that what was more problematic than a lack of technology was that her organization *did* have updated technology— but staffers did not know how to use it. When one young professional mentioned taking time out of her day to teach senior staffers how to use certain computer programs, others chimed in with similar experiences. This set of notions is connected to what the group conveyed about lack of organizational investment in training to make them more effective in their current work.

Participants also expressed concern with lack of training once they are no longer new to their organization.

> There is [adequate] training for our entry level employees, but that middle management is expected to know what they're doing because they've gotten that far and they're expect to keep doing it until they get a promotion, and then they'll learn how to do that. But that middle management is missing the training opportunities.

Of significant concern as well was self-development, "growth in my career path" training in more advanced management skills specifically required for executive directorship. This dimension of training concerns will be explored further in a later section addressing their attitudes toward the executive director position.

Burnout, Organizational Turnover, and Work-life Balance

Working in organizations facing resource scarcity issues was also found to contribute to high staff turnover, which can pose additional burdens for the staff who remain:

> I have seen a very high turnover of staff, and I think that's a number of reasons for that. One, because of salary, we have a lot of people who will come into our organization, maybe stay for two years, then cycle out. And you're continually training new staff people and you never really get to where you should be because of that cycle.

High turnover means others are routinely taking on work that would typically be assigned to someone else, leading to strain on valuable resources, including time. Ironically, while the group had reported "wearing many hats" as a positive aspect of their employment (sometimes seen as self-development opportunities), this same facet of nonprofit work, especially when exacerbated by high turnover, left people fearful of burnout.

Some also described the pressures of working for a mission-driven organization in relation to maintaining a work-life balance. Just as one might be hesitant to ask for a raise (knowing that a dollar to their salary is a dollar away from the cause), nonprofit employees face pressure to work long days in order to demonstrate an unwavering commitment to the mission"

> You go in, and you see the CEO there when you get there, and you see them still there when you leave. … It's difficult to find what your balance should be because you want to be a team player, you want to work hard, you want to show that you're dedicated to your job and to the organizations' community that you serve, the mission of the organization, but still wanting to have a life of your own means.

These concerns can be further compounded by some of the pressures to participate in organizational functions outside the normal workday. Along with high turnover, special events or programming on nights and weekends can lead people to feel stretched thin and cause concern about work-life balance.

Attitudes Toward Executive Directorship

The focus group continued to reflect many of the attitudes revealed in the literature review when it came to discussing their attitudes toward potentially taking on an executive director role in the future. Most central were participants' feelings that they lacked preparedness to do the job well. Among the professionals' other concerns were that a sense that the job is too focused on fundraising and would not allow them to do the work they prefer to do.

The duties of an executive director are not appealing

Concern about executive directors' overemphasis on fundraising responsibilities

When we entered into discussion of attitudes toward executive directorship, an immediate response from many in the group was that the fundraising duties inherent to the position were unattractive. There was not only a perception that executive directors hold a volume of fundraising duties that feels burdensome, but there was the perception that the directors are *only* responsible for fundraising. The pressure involved in being "chief fundraiser," as one participant called the role, would be significant—he described it as a feeling of "you better keep those dollars coming or you're gone," noting that there is a lot of turnover among leaders in his organization, he believes, for this reason.

Some prefer the duties involved in the specific roles they hold at present

Some in the focus group preferred the duties involved in the specific roles they hold at present to those they would take on as an executive director. For young leaders who enter on the programming side, executive directorship may be unattractive because it is more removed from the delivery of services. One participant described her preference for the job she has now:

I would definitely not want to be an executive director, but it's because of what I do. I see the biggest impact I can have in the sector is to work with those organizations that don't have [the resources to carry out measurement and evaluation, this participant's job]. That's my niche, that's what I love to do, so I couldn't see myself enjoying being an executive director because I couldn't spend all day every day in the numbers, making graphs, helping to figure out, 'How do we tell our story?'

A second participant reported:

I think that also for me, I enjoy the direct services, and if I was to become the ED, I might lose some of that, or all of that. With some of the EDs at our school, there's been very varying degrees of interaction with our students and their interactions with staff.

Young nonprofit professionals do recognize value in taking on the executive director role

With some pressing, participants did discuss the upsides to the role. Our 43-year-old participant, acknowledging that she was older than the rest of the participants, encouraged those in the room to consider executive directorship. She reminded the others in the room that everyone was well-trained, given their completion of an MPA or MA program, and said that in a small state like Delaware, they could get the "socialization" part of preparation easily. She, like others, expressed upsides to having decision-making power:

Yes, I want to be an executive director. You know why? The weakness is that you have to raise money. The strength is that you get to decide how to spend it. So I can control the dollars, and I can, with the help of my board and my staff and my stakeholders, better serve our community and also do the things that we learn about but never make it into practice.

Another person mentioned that having the ability to "steer the ship" would be attractive:

In the organization that I'm in now, I would say that I would want to be the ED, just because I think I could personally steer the ship in the right direction but also because I started at the bottom of the organization and worked my way up through it, so I can understand it better than somebody who's brought in from the outside, from a headhunting firm.

But, centrally, they feel hesitant because of lack of preparation and mentoring for higher leadership positions

Among participants, there was a shared agreement that they lacked the skills necessary to take on executive directorship. One respondent reported that she recently wondered if she was prepared for the

role because the executive director's position opened at her organization. On reflection, she ultimately decided that she was not qualified.

> I don't think that I get the training or the mentorship that I need to be qualified for that type of position. So something like [taking on the directorship] seems daunting and I don't feel equipped either within my own organization or within the sector to feel like that I can step into that role appropriately.

Another participant note that because there is not a structure for advancement at her organization, she has not had the opportunity to learn any of the skills needed outside of her job. Another echoed a similar sentiment of feeling "siloed."

> Everyone's kind of siloed within the organization [...] you know what you know because its related to your position. So would I enthusiastically take on a role higher than what I'm in now? Probably not. Because I don't feel like I've been prepared enough to take on that role and do it adequately and serve the community and what it needs.

Some talked about knowing "the skills in theory," but not having adequate exposure to the Executive director's experience of how these skills are applied in real-life situations in the field.

Keep in mind that participants for this focus group were selected because of their participation in master's level programs in either public affairs or public administration. This may in part shed light on why they feel they have "the skills in theory" but do not feel prepared for the actual role. They need "on the job" translation from skills into practice—the kind that comes with adequate mentoring and preparation for top executive directorship roles.

Recommendations Proposed by Focus Group Participants

Participants desired improvements to three supports to encourage their advancement in the field: mentoring, networking, and training. The group had experience with some of these supports but found them ineffective for reasons I will describe.

Mentoring

There was a consensus that the most beneficial mentor-mentee relationships were ones that developed organically. There was a desire to see mentorship as an "expectation" of the board and senior-level employees. Participants were on the fence about the level of formality they sought in these relationships, especially given that they found the best ones were organic but weren't sure how to foster

the organic relationships. (Given that the very nature of "fostering" a relationship might make it inorganic.) There was a call for purpose in mentoring relationships *and* for a more casual set-up:

> When I find that the relationships are built, and they're lasting, and they're really genuine, there's some kind of a project, there's a very specific "were going to get this done." […] I need a reason to mentor you. What are we doing together?

> I would love to have someone just to go to as a mentor. It seems like it's some formal, you know, am I worthy enough of your time? Can I officially be your mentee? But at the same time, I kind of want a formal designation to say, oh, this is a person I can really talk to about my random questions that I don't know.

Despite wanting organic relationships, participants had mixed results in the absence of a formal mentorship system, mentioning cases where reaching out to potential mentors was met with mixed reactions. In the absence of a formal system within the workplace, utilizing existing external bonds was seen as a good alternative. One participant mentioned that the University of Delaware played a valuable role in connecting him with others, in part because of his existing relationships with faculty. He said it's that connection that makes him willing to oblige when he has a request or suggestion to talk with someone.

Networking

Networking was an option that the group brought up with caveats. Those who had attended networking events in the past expressed that peer networking events usually end with everyone sitting with people they already know, talking about anything but work. There was agreement that networking events would need focused topics related to the job ("at least some kind of guided conversation" and "give us something to talk about […] then set us free to have a table conversation").

Some participants recalled a time a few years prior when a chapter of Young Nonprofit Professionals Network, a peer networking group that also provides leadership development, was going to come to Delaware. One participant said there was a lot of energy around it, and the organization would have had a lot of resources, but it didn't take root. Another participant engaged with Young Nonprofit Professionals Network at a former job in Virginia and called it a great opportunity for peer networking.

One issue to keep in mind with peer networking events is availability—even when scheduling this focus group, childcare was an issue among these young nonprofit professionals, many of whom are starting families.

Training

A primary concern about assuming the executive director role was lack of preparation in certain skill sets, which leads to the group's next recommendation: training. For a survey of the skills participants felt they needed training in, we asked each person around the table to state an item or two. Relevant items mentioned at least once are listed below, with the first three each coming up more than once.

- Budgeting
- Strategic Planning
- Fundraising
- Accounting
- Board Relations
- Software
- Relationship building

Two participants said they already received enough training. Both of these participants are part of large organizations: one a national nonprofit and the other a university. For some, the need for training was tied to a desire for more experience. On this topic, a participant described ways she had been able to get more experience outside of her distinct job duties: she sat on national task forces and spoke at conferences. This participant said she had access to these opportunities because she is part of a large, national organization, and expressed that others at smaller organizations might have a harder time finding ways to gain experience outside of their day-to-day tasks.

Also worth noting was the dismay of these young nonprofit professionals at corporate-sector leaders being recruited to fill senior-level vacancies at their nonprofits. There was a feeling that boards and hiring committees believed private-sector employees came with skills that the nonprofit workforce could not offer. The group became emotional as they described external hires who, in pursuit of the

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monetary bottom line, were failing to hold true to the mission of the organization. As one participant described it: "If you're a cost cutter, people are costs." (The attitudes of the group on this raise a contrast to the rise in for-profit and hybrid entities, as mentioned earlier in relation to Echoing Green applications; it is also interesting given that, in general, members of Generation X and millennials are known not to "shun" the for-profit sector—it is a different situation, clearly, when representatives of the for-profit sector enter nonprofits without full understanding of the mission and how it affects decision-making.) So when training these young leaders, it must be kept in mind that once they rise to higher ranks in the organization, they may be compared to external, corporate candidates. Sensing what is needed, and who is being hired, it is no wonder that "budgeting" and "strategic planning" top the list of skills this group desires. The group's frustration with external hires highlights the need for young nonprofit professionals who have skill sets that can compete with these those applying from the corporate sector—and ideally, the internal candidates will have an advantage, given their understanding of the organization's mission and values.

Chapter 5

ANALYSIS AND IMPLICATIONS OF FINDINGS

Conclusion

The updated findings contained in this thesis point to a nonprofit workforce that still expresses significant reluctance to take on executive directorship in the future. Given the impending wave of Boomer retirements and an expanding sector, it is critical that concerns within the leadership pipeline be addressed.

Past research revealed a workforce happy with the content of their work and the culture of their workplaces, but one that expressed concerns about burnout, salaries, and a lack of preparedness, especially regarding the assumption of directorship. In prior research, these drawbacks were suggested to have driven young professionals out of the sector before they could achieve top leadership positions. The updated findings in this thesis reveal that salary and burnout are no longer as central to nonprofit employees' workplace discontents nor do they drive current young professionals' reluctance toward directorship, but concerns about the other drawbacks to nonprofit work remain. Though there is reason for hope—none of the focus group participants expressed a desire to leave the sector for any reason, and they did acknowledge the importance of directorship roles—it should be emphasized that participants' overwhelming response toward directorship was a negative one. For this reason, attention should be directed toward a concern that was central to both prior and updated research: young nonprofit employees feel unprepared for directorship.

Though insight from this small group in Delaware cannot be applied to every nonprofit workforce across the country, these findings can help identify which resources should be made available to build an enthusiastic leadership pipeline. There still remains cause for concern in regards to whether or not vacant executive director positions will fill. Given this information, what can be done?

Mentoring and networking

A consistent theme in both the literature and focus group was concern about a lack of preparedness, which often took the form of a lack of confidence in one's self and their ability to see themselves in a top leadership role. Mentorship is a clear way to help younger employees become comfortable with the many sides of these roles, and was also a key desire that young professionals expressed in both the focus group and in past research. It was clear from the focus group that participants would appreciate a formal structure in order to initiate these relationships. However, in their desire to maintain an organic relationship—participants wanted to feel that they were mutually selected—a networking aspect might work well here. This is where Delaware Alliance for Nonprofit Advancement (DANA) can provide a helpful structure. DANA offers an annual training curriculum to help the state's nonprofits achieve excellence; of the curriculum's six core principles, one is called "Leadership: Board, Staff, and Volunteers." Given its focus on developing leaders and meeting the nonprofit needs of the future, it would be fitting if DANA hosted a series of networking events designed to match senior and younger nonprofit professionals. If marketed as "Find a Mentee/Mentor" events, attendees would self-select as a group that is interested in mentoring and being mentored. Some structure could be established to ensure that effective pairings are made—say, tables by issue area or job function. Events like these would socialize professionals within the sector, rather than within single organizations. Mentoring is frequently only done within individual organizations, but this might be challenging in Delaware, where some organizations operate with as few as three full-time staff members. In a sector already welcome to collaboration, this would also bridge similar networks and could strength the local sector as a whole.

Effective mentorship will also socialize the senior leaders with the younger employees, meaning that the relationships might make them see potential in an employee whom they may have never met before. Establishing formal mentoring programs both within organizations and across the sector locally could help senior executives and board leaders recognize the talent that already exists within the sector, in turn creating more of an impetus to focus on training and grooming for succession.

It would also be advisable for DANA to include tips for mentors and mentees as a resource on their website. Some mentors and mentees may be uncertain of how to fulfill their role, and there may be differences in expectations. For example, Kunreuther notes that generational differences can create

conflict in mentoring relationships—especially in regards to passing along long-held animosities between or within organizations (Kunreuther, 2008, p. 129), which Millennials in particular are not interested in this (2008, p. 130). For small differences like these, it might be worthwhile to provide training or easy-to-access tip sheets to mentors and mentees.

Peer networking

Peer networking is equally as important. In addition to providing a way for young professionals meet, talk about the highs and lows of nonprofit work, and find like minds, there is also a need for networking simply to expose young leaders to the work their counterparts are doing. Respondents in the American Express NGen Fellows survey struggled to name even one leader under the age of forty who was effective in solving societal problems (American Express, 2010, p. 4). Networking can promote learning and sharing and can lead to collaboration among young leaders. And because young social leaders think cross-sector collaboration is "very important" but do not feel confident in their ability to collaborate, (American Express, 2010, 4), it is important to make networking easy and enjoyable for them. Starting a chapter of Young Nonprofit Professionals Network (YNPN) in Delaware is one means of uniting young nonprofit professions in a purposeful way.

Participants in the group mentioned that there was previously local interest YNPN in Delaware. At present, the nearest chapter is in Baltimore. YNPN can provide many of the resources participants felt they are lacking, especially in terms of training. Notably, YNPN has a major emphasis on self-development and personal leadership development. The organization has offered inexpensive personalized virtual coaching sessions for members and holds an annual leadership conference. The annual conference features sessions that provide the leadership development young professionals are seeking and helps them build connections from around the country. YNPN could also provide some of the hard-skills training desired by young professionals. Based on past interest in starting a YNPN chapter in Delaware, it seems that once it was started, there would be enough members to keep it going—the problem is initiating its formation. For that reason, it might be feasible to for students in one of the master's programs at the University of Delaware to dedicate a semester, for example, to launching the chapter, and then allowing it to take on its own life once additional professional members begin to join.

Training

Though additional mentoring and peer networking will provide young professionals with opportunities for self-development, they still expressed concern about a lack of training in areas such as budgeting, strategic planning, and fundraising. Because many of the young nonprofit professionals working in Delaware came through the University of Delaware's master's programs, it is imperative that these academic programs are covering these kinds of on-the-ground skills that these young leaders feel they are lacking. A count of classes offered for next semester's master's students shows only two class offerings that pertain to participants' top three training concern areas (budgeting, strategic planning, fundraising). One of these courses was specific to grantwriting, and the other to leading nonprofit and public organizations.

Additionally, there needs to be opportunity for continued professional development for professionals who, a few years into their career, realize they need to brush up on certain skill sets in order to feel confident moving ahead. Given that budgeting, strategic planning, and fundraising are known desired topics, the School of Public Policy and Administration at the University of Delaware might consider hosting an annual conference or occasional workshops on these specific topics. A tie might be made here with mentoring and networking—the School of Public Policy and Administration might considering drawing on alumni with experience in these subject areas to supplement existing expertise, given that participants mentioned their willingness to assist the school when asked.

Providing students with these skills should be seen as integral to strength of the master's program at the University of Delaware and to the health of the nonprofit sector in the state. Young nonprofit professionals are competing with leaders from the corporate world for these top positions, and they will need the credentials and confidence to consider these roles feasible.

Create an expectation that leaders can be developed from within

Above all, there needs to be an expectation that current young nonprofit employees *can* and *should* become executive directors. At present, boards and top leadership expect to hire executive directors externally—meaning that mentorship, training, and other aspects of "grooming" for succession fall by the wayside. Only once those who hire begin thinking of their current employees as potential successors will

those current employees receive the preparation they sense they are lacking. The talent exists in the sector, but in order to keep them in the pipeline toward directorship, these young professionals need to be taken seriously and mentored, networked, and trained accordingly.

Suggestions for Further Research

The insight provided by the focus group provides an updated look at young nonprofit professionals' attitudes toward their current work and toward executive directorship. However, the findings from this research are specific to this small cohort of Delawarean employees, and cannot be applied to trends nationwide.

Groups like this will need to be replicated in other regions to better understand how to strengthen the nonprofit leadership pipeline. Surveying current and departing executive directors on their plans for succession can provide further insight. Do their organizations consider, or groom, any internal candidates? Do they think an internal hire at their organization would be prepared for the role? These questions could also be asked of Boards of Directors. Gaining insight from those who in the position to hire executive directors would provide a more thorough understanding the dynamics of the pipeline.

The role of gender as it affects directorship should also be examined. In a field where women compose 70 percent of the workforce, female leadership is lacking at larger organizations (Halpern, 2006, p. 7). Are there disparities in hiring or pay between men and women in the sector? How do maternity and family policies factor in? How do women perceive their sense of preparedness for directorship in comparison to men? Racial diversity in nonprofit directorship should also be considered. One focus group member mentioned a lack of diversity on Boards of Directors in regards to age, but what about race? Research from 2006 estimated that the sector was 82% white, with an even higher percentage in leadership roles (Halpern, 2006, p. 7). In a sector meeting the needs of diverse constituents, and in a nation growing increasingly diverse, special attention must be given to issues of diversity and inclusion in all levels, and especially in top leadership posts.

As stated, this study provides insight into the attitudes toward current jobs and potential future executive directorship from a small sample of young professionals in Delaware. Further research in additional locations, including data gathered from Boards of Directors and current and exiting directors,

would provide a deeper insight into the future of nonprofit leadership. With additional research focused on issues of gender and racial diversity, the dynamics of nonprofit leadership can be better understood, thus allowing for more meaningful approaches to strengthening this critical pipeline.

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Appendix

FOCUS GROUP QUESTIONS

The focus group opened with note of what the nonprofit sector is, how we are defining nonprofit organizations, and that our discussion will put the spotlight on issues of how current nonprofit leaders of the "millennial" and "gen x" generations might view themselves as either taking on or declining to pursue top executive leadership positions in nonprofit organizations in the future.

Discussion Points

Part 1—Experiences in nonprofit employment

- What positions do you currently hold in nonprofit work?

- What other positions in the nonprofit sector have you have held prior to your current experience?

- Overall, given your experiences, how would you characterize the work environment for people under 40 in the nonprofit sector?

- Taking into account all of your past and present nonprofit work experiences, what would you say are the most significant benefits of working in the nonprofit sector; what do you like about it?

- Taking into account all of your past and present nonprofit work experiences, what do you feel are the most significant downsides about working in the nonprofit sector; what have you liked least about it?

Part 2—Attitudes toward potential future assumption of executive director roles

This part will be introduced by noting the impending wave of baby boomer retirements from nonprofit executive director positions – what national studies are projecting, and some local Delaware examples. The need is for millennials and generation x members to move into positions of executive leadership in the sector. This set of questions looks to understand attitudes held by this group toward potential future work as an executive director in the nonprofit sector.

- Would you consider taking on an executive director role in a nonprofit sector organization if the opportunity presented itself (not necessarily your current organization, but a nonprofit engaged in work you care about)? And would you do so with enthusiasm? Why or why not?

- What do you feel would be the most positive feature ("plus") of holding a nonprofit executive director position?

- What would be your biggest reservation about taking on an executive director position?

Part 3. Reforms or changes that could encourage millennial and gen x leaders assume top executive leadership roles; what would help make them "ready to lead"?

This part will open by introducing the fact that there is strong interest in the nonprofit community in finding ways to help talented young leaders feel comfortable moving into higher nonprofit leadership positions; and also to provide young leaders with adequate skills and support they need to take on the demands of the role. These questions seek the group's perspectives on what kinds of assistance and support might be helpful to have available in Delaware.

- Regardless of prior exposure to training or education that has helped you development your capabilities to assume a top nonprofit management role, what kinds of SKILLS AND ABILITIES would you like to see yourself develop at present that would position you to more effectively take on an Executive director role?

- What kinds of TRAINING PROGRAMS AND TRAINING FORMATS would you like to see developed to advance skills in these areas for younger leaders like yourself?

- What kinds of SUPPORT SYSTEMS would you like to see in place that you feel would be helpful to you in managing new challenges you face as an executive director? For example, executive mentorships? Peer support groups or networks? Board support inside the organization?

- What other kinds of changes might make it more appealing for you to take on a nonprofit executive director role?

- Do you feel you currently have adequate exposure to existing executive director position openings you might consider pursuing? Where do you get your information on the availability of these positions?

- Is there anything else you'd like to convey with respect to the topics we've discussed here?