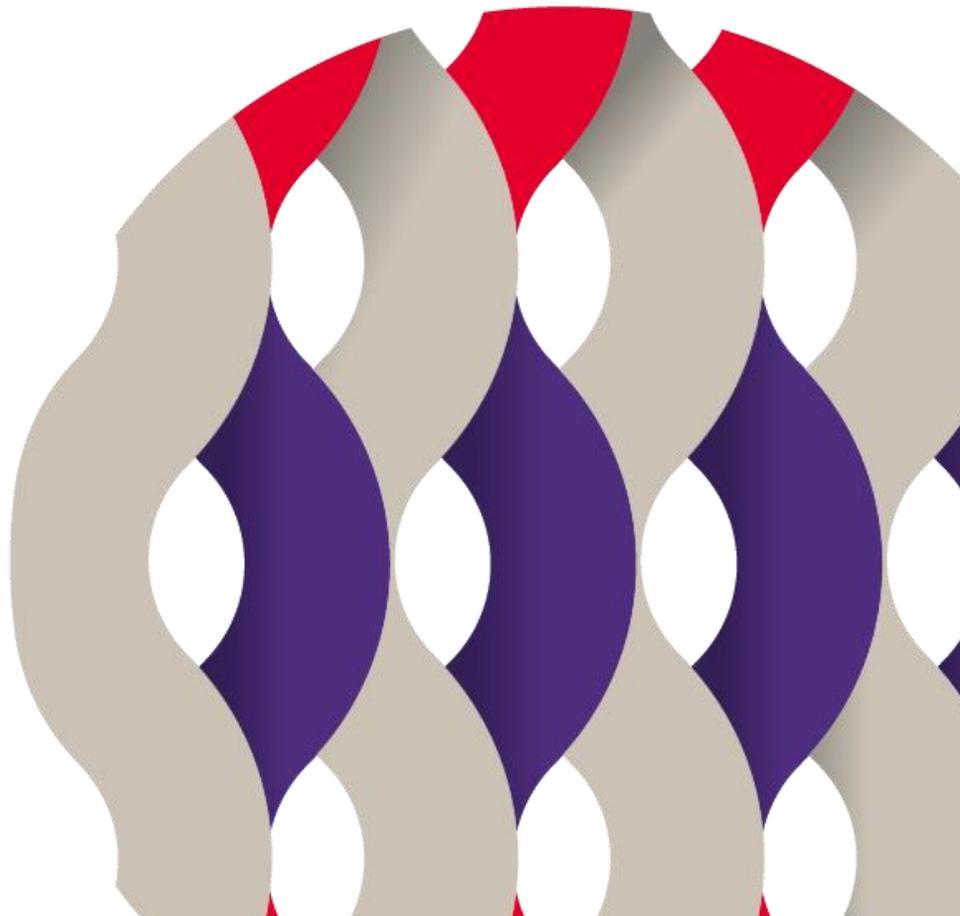


CNPOs and agility

How to remain nimble in today's shifting landscape



The world is changing at a breathtaking pace, making it challenging for even the most deep-pocketed organizations to keep up. For charities and not-for-profits (CNPO)—organizations notorious for red tape, limited financial resources and low risk appetites—this rapidly-shifting landscape can be downright overwhelming.

Yet, as many CNPO CEOs recognize, standing still is not an option. To thrive in this new reality, CNPOs must become more agile by rethinking existing processes, frameworks and organizational structures, and implementing a forward-thinking vision flexible enough to respond to obstacles, and opportunities, on the turn of a dime.

Of course, identifying the need for increased flexibility doesn't mean the path to agile will be easy to navigate. In the CNPO space, CEOs must not only focus on modernizing their own toolbox, but must also encourage their board to do the same. Earlier this year, we sat down with CEOs from successful CNPOs to discuss how to become more agile in today's landscape—and explore the unique barriers and opportunities that arise when you're accountable to a board.

While each member of our roundtables had unique experiences and insights to bring to the table, all seemed to agree that the first step in establishing an agile CNPO is creating an environment where both CEOs and boards enable change. For many, this means working together to clearly define both parties' roles and responsibilities. For instance, the board should be making high-level decisions regarding an organization's vision and strategy—and, as such, shouldn't be bogged down with too many details of the day-to-day operations. In a similar token, CEOs should have clear parameters governing how they operate—parameters created and approved by the board.

While such role definitions are unquestionably important in helping organizations move swiftly, they're just one piece of the puzzle. To effectively reduce red tape and become more nimble, CNPO CEOs must leverage the CEO/board relationship to uncover new ways to plan for the future, foster innovation and maximize limited resources.

Planning for the future

It can be challenging to plan for the future when you have no idea what the future may hold. That said, members of our roundtable still agreed that a strategic plan holds merit in today's CNPO environment—although it may look different than those of the past.

Above all, CNPOs should prioritize agility when building a modern strategic plan. Essentially, this means viewing agility as a tactic to help achieve your vision—and making sure there's leeway to stray from the plan if new opportunities, or obstacles, arise. Since this is a rather non-traditional approach to planning, CEOs would be wise to prioritize open communication with the board when crafting—and implementing—such a plan, so as to proactively set expectations.

Simplicity is also key when it comes to planning, as a long-winded and long-term strategic plan can quickly lose relevance. Instead, you want to keep it as short and sweet as possible—potentially even making it synonymous with your organization’s core purpose. One organization at our roundtable did just that—it offered a snapshot of its strategic plan that it kept on the wall at all management and board meetings. This simplified version was then used to guide decisions as they arose.

Finally, it’s critical that organizations treat their strategic plans as living documents. They should be updated regularly—with progress marked in red, yellow and green—and their purpose should be to keep everyone focused and on the same page. Additionally, you want to focus on measuring the value and impact of specific actions—not just the number of donors you’re acquiring—which will help ensure you’re fulfilling your organization’s mission and not straying off-course. A few participants suggested that, to help in this endeavour, CEOs may want to change their agenda formats to encourage both boards of directors and boards of governors to spend no more than 30 percent of their meetings on reporting (which focuses on the past) and the remainder of the time discussing how to address future change.

Making room for innovation

It’s hard to be agile when you’re not the decision maker. Because many CEOs require board approval to act, fostering innovation in an organization—and taking on the risk that accompanies it—can be challenging. Yet, if CNPOs hope to become agile, they will have to accept that innovation is part of that journey—and increase their risk tolerance accordingly.

That means many CEOs will have to assume the position of “risk taker”—encouraging the board to see the merits of change while simultaneously assuming the potential for failure. The secret to success, according to the CEOs we interviewed, is to veer the board’s attention away from the risk at hand, and instead focus on the risk of remaining stagnant. When you focus on the latter—and brainstorm possible solutions to overcome these risks—new endeavours become easier to swallow.

That said, CEOs can’t succeed at this task if they haven’t established trust with their board and team. That’s why it’s important to do your legwork by researching industry trends, identifying pertinent demographic shifts and networking with individuals who can help you think outside the box. You must also adopt a leadership style that promotes the facilitation of ideas.

Part of this involves keeping an open mind and adopting a more democratic approach to leadership. But it also involves implementing strategies to maximize team performance. One CEO found it helpful to encourage his people to achieve an overly-ambitious goal in a bid to teach his team to challenge the status quo—a skill that is becoming increasingly valuable, particularly as marketing and fundraising teams struggle to appeal to Millennial donors. By showing his team that no goal or idea was too far-fetched, he was able to foster innovation and customize strategies to meet the changing needs of the organization’s stakeholders

Maximizing limited resources

It's a universal truth in the CNPO space: the longer a CEO's list of accomplishments, the higher the expectations. But in today's environment, where every dollar spent on administrative costs is scrutinized by donors, CEOs are often expected to build on their previous achievements with little to no resources. Faced with rapidly-evolving technological advancements—and a faster pace of business—CEOs need to communicate to the board, and stakeholders, that this is no longer feasible. For an organization to thrive, investment is critical.

That said, there are some steps CNPOs can take to maximize their existing resources. For one, CEOs can revise recruitment efforts to ensure they hire a strong team to move the organization into the future. Perhaps this means hiring outside your industry or employing new graduates. Maybe it involves building a team based on a skills matrix—looking at a candidate's ability to connect with others or execute effectively, for instance. Or maybe it involves looking for glaring gaps in your existing team and identifying positions that need to be filled accordingly. Whatever approach you take to put your best team on the field, the end goal should be to create a team that you trust completely—with the right mix of honour, skills and passion—and one you don't have to micromanage.

CEOs can also maximize their limited resources by re-examining the organization from top to bottom. With a strong team behind them—and a willingness to maintain an open mind—it may be possible to identify inefficiencies or reimagine existing processes, strategies and frameworks that will stretch financial resources further. This is also an opportunity for CEOs to reflect inwardly, re-examine their leadership style and identify (and strengthen) gaps in their existing skillsets. Some of the leaders we spoke to found something as simple as scheduling downtime—creating space to think and cultivate ideas—can dramatically improve a CEO's performance.

Moving forward

When looking toward the future, a simple saying came to our participants' minds: "What got you here won't get you there." While the future remains uncertain, it's clear that if CNPOs hope to continue making an impact, they will have to veer away from the way things have always been done in favour of a new, agile path forward. This will involve adopting a new approach to planning, embracing risk a little more readily, uncovering new ways to maximize existing resources and boosting organizational investment.

If you'd like to learn more about how your CNPO can meet changing market demands by becoming more agile, we recommend reading our recent thought leadership piece, [Can you make your company more agile?](#)

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