Developing a Robust Change Initiative for Overcoming Leadership Challenges in a Non-Profit Organization: A Case Study of Carbon 6



Assessment 2 Leading Sustainability Change

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1. Introduction

1.1. Background of Carbon 6

Carbon 6 was founded in 2019 as an innovative social endeavour envisioned by collaborative partners who advocate for community involvement and individual responsibility as pivotal components of sustainability. Its aim is to pave a way towards forward-thinking progress by instilling the principles of Social Innovation and Circular Economy within communities. In 2020, Carbon 6 gained official acknowledgement and approval from the Omani Ministry of Culture, Sport, and Youth. Carbon 6 initiated several community outreach programs to engage with local youth and promote cultural awareness. By identifying, cultivating, endorsing, and nurturing social innovation prospects, Carbon 6 to transformed ideas into viable solutions, prototypes, and operational models. Its focus is on introducing topics of societal importance that help innovators create tangible and measurable impacts within the socio-economic landscape of Oman Vision 2040.

1.2. Significance of Addressing Leadership Challenges in Non-Profit Organizations

In this detailed case study, we're looking at how leaders in small non-profits can effectively navigate the unique challenges they face, particularly in terms of funding and resources. This report and plan focus on a specific obstacle leaders face during times of significant change. It adds to the gap in existing studies on how these challenges affect leadership and how leaders can tackle them. At Carbon 6, there were issues because educators were also expected to lead but lacked the skills to manage daily tasks while promoting teamwork and coaching among their peers. The lack of proper training for educator leaders made it hard for them to follow instructions and step in when needed. On the other hand, successful non-profit leaders showed qualities like willingness to learn, teamwork, a clear vision, and a commitment to serving the community as key factors for success. The insights from this study could help leaders and management teams in similar organisations improve their effectiveness. Leadership development in non-profits like Carbon 6 that is unique because individuals must juggle multiple roles and balance both socioeconomic and organizational goals.

2. Theoretical Foundations of Change Management

Members of non-profit organizations often have a high level of motivation to work on the mission of the organization. This intrinsic motivation helps a great deal in compensating for the flaws that exist in the working structure. Effective leaders in non-profit organizations foster this intrinsic motivation, as well as ensuring that the organization operates efficiently and effectively. The varied set of skills and this different focus create different requirements for leaders in the non-profit sector. A non-profit's well-being is ensured by the proper allocation of resources in order to

provide programs that meet the needs of the communities they serve. Funding, most importantly, to assure the sustainability of a non-profit organization, is often a problem. Attracting and recognizing the diverse sources of support are a formidable challenge for those responsible for finding support for this kind of organization. (Ilyas et al., 2020)

3. Leadership Challenges in Non-Profit Organizations

Heidrick and Struggles surveyed Chief Executive Officers (CEOs) from almost 50% of large nonprofit organizations in the United States and reported many CEOs and directors believe that their organizations need better leaders. The study also concluded that while fundraising is crucial for non-profit leaders, only 14% of non-profits are very skilled in this area. The remaining non-profits must develop their leaders in handling this important role but in a strategic way. The U.S. Council on Foundations 2018 report entitled "The Voice of the Foundation CEO" suggests that non-profit leaders need to be more innovative as more funders expect them to invest in risk-taking when solving social problems. The report also highlights concern with organizational teamwork and a lack of new leadership. The Rosenberg Foundation supported a report entitled "The People Problem: Teaching the Next Generation of Nonprofit Leaders" which underscored that two-thirds of all current non-profit executives are expected to retire in the next 10 years. These scenarios require that non-profits formulate new strategies for increasing the productivity of their limited organizational resources such as staff members, board members, and volunteers to develop an innovative and effective plan that can thrive and increase social impact. It is vital that non-profit organizations begin to create sustainable leadership knowledge that is specific to their environment where leaders need to understand the opportunities and the probable challenges of a non-profit environment. (Schuller, 2023)

Leaders often face diverse challenges due to the unique nature of their roles. Leadership is an emotional and deeply embodied activity requiring both vocational and organizational commitment. Non-profit leaders share a common challenge of trying to run a strong organization while also helping the greater good. Researchers in the non-profit field examine a variety of issues including leadership, board governance, and strategic management. (Gee et al.2023) The non-profit world can benefit from both for-profit and non-profit studies. Non-profit leadership presents unique challenges as there is considerable confusion around the roles and responsibilities of the non-profit board, director, CEO, and next-generation leadership.

3.1. Volunteer Management and Burnout

A significant impediment to the effective management of a volunteer base is volunteer burnout. This is true of organizations in general, as managing a volunteer base has its own unique set of challenges, including those unique to organizations that rely entirely on volunteers to run the organization. The usage of constant volunteers has the potential for volunteers to feel overwhelmed, leading to burnout which could increase the risk of volunteers leaving the organization should they feel aggrieved by it. With that disruption, some measures to ensure that

problems with high volunteer turnover rates and consistent burnout do not become readily apparent. (White Smith, 2020)

For most organizations, volunteers are the heart of the operation, spending long hours in the organization, managing events, mentoring participating youth, and networking on behalf of the organization. While some organizations can pay either a full-time or part-time salary for paid staff, nonprofits rely on volunteer efforts to ensure that operating costs stay relatively low and that donated funds can go to the programs run by the charity. Without a strong core of volunteers, the management of the season as a whole becomes much more challenging and this is what Carbon 6 is facing.

3.2. Reliance on Sponsorship

While sponsorships can offer benefits, an excessive reliance on them can limit strategic adaptability and impede program growth. Variations in funding may compel Carbon 6 to decrease workshop frequency, restrict participant numbers, or narrow the scope of their curriculum. This scenario could prompt Carbon 6 to customize workshops or concentrate on specific facets of the circular economy according to sponsor preferences, potentially obstructing their overarching educational objectives. Moreover, securing sponsorships demands a significant investment of time, diverting attention from core tasks and diminishing their overall community impact, hindering the development of future sustainability pioneers.

3.3. Strategic Planning and Resource Acquisition

Another obstacle arises from relying on public partners for venue arrangements. This disrupts the organization's strategic planning and limits its autonomy over its physical space. Depending on public partners for workshop locations poses logistical challenges and interrupts strategic decision-making. Similar to the financial obstacle of being fully sponsored, partnering with organizations who provide venues may lead to adjustments in Carbon 6's activities to align with their own agendas, ultimately impeding Carbon 6's overarching impact objectives.

4. Components of a Robust Change Initiative

Engagement of the executive board, members, the operational staff, and the end users at the design components stage is also essential to achieving a winning organization. The employees and the executives are the ones who distribute, plan, organize, seek information, and use it to make decisions, etc. Each one should be a part of the change process and have the opportunity to partake in the success or failure of the initiative. The adopters of the outcome are ultimately the 'customers'. It is deserving that they be included early during the design stage. Factoring a rich database that consults end users when aggregating the perceived outcome of the change as part of non-profit it

projects is receiving recognition as essential to a successful end-user perspective. (Sjödin et al.2020)

The success of a change initiative is to a great extent dependent on the design components that are used in creating the process. These design components identify with the approaches, the style, and the intentions that drive a particular organization to effecting a change process. There are four key components that are necessary to ensuring that an effective change initiative is designed. These are ensuring a clear vision and set of goals that are agreed upon by all key personnel; ensuring a senior executive who is an advocate of change at both the strategic and operational planning levels; ensuring that there is a well-planned detailed change project that clearly identifies project tasks, project skill sets, and the business processes that need to be affected; and finally, ensuring there is a well-structured communication plan that caters for originating, planning, managing, and controlling utilizing feedback. (Errida & Lotfi, 2021)

4.1. Capacity Building and Training Programs

Utilizing online learning lets nonprofits provide necessary training for their employees without the added expenses of travel or accommodations. It also allows individuals to focus on their specific training needs, reducing the overall training requirements for all staff. This approach is especially beneficial for organizations with a global presence or looking to expand into new regions.

Capacity building programs focus on providing training and knowledge sharing to enhance an organization's capabilities. These programs aim to enhance the operations of non-profit projects by encouraging improved behaviors and skills. Training can encompass various areas such as leadership, management, personal skills, and technical skills. However, limited financial resources can hinder the development of comprehensive capacity building programs. Collaborations with the public, private, and personal sectors can be valuable in bringing in experts and trainers that may otherwise be cost-prohibitive. Online learning programs with certifications also offer organizations an alternative option to enhance their skills. (Kraai & Mashau, 2020)

5. Analysis of Existing Leadership Challenges

At the heart of an organization's ability to meet the significant changes today are the leadership qualities of those who are managing the organization, especially in a non-profit organization. Opening access to power for all is an obstacle that few non-profit organizations have been able to transcend, resulting in inaction and lost opportunities for organizations that are not nimble enough to exercise it and thereby are not able to develop as stakeholders to become leaders themselves. A lack of leadership is a substantial barrier in the development of non-profits who bring in just enough funding to sponsor staffing and simple programs with few robust fund development plans, very little cash operating reserves, and limited insurance policies or even no insurance policies. They depend on board and staff time, including legal, marketing, and accounting services, which may be volunteered to the organization often at some personal risk. (Anderson, 2021)

6. Implementation Plan for Carbon 6

The planet pillar and the profit pillar require more work and analysis. Introducing CSR strategies can be challenging, particularly if no framework is already in place within the organization and no yearly reporting is currently being provided. A complete Profit Pillar Implementation Plan will provide further information on this concept and how this theoretical concept can be brought alive within a non-profit organization. The goal was for Carbon 6 to use and develop this implementation plan to directly facilitate changes in the three pillars of Planet, People, and Profit, to steer the non-profit organization in the right direction and implement the necessary changes.

In the people pillar, the non-profit has to make significant immediate changes. It is essential to establish clear communication channels and provide opportunities for staff development and training. This will help ensure that everyone is aligned with the organization's goals and values, and can effectively contribute to the success of the change initiative.

6.1. Impact of Sponsorship Alignment on Organizational Vision

To understand how sponsorship can impact the vision of a non-profit organisation, it is important to clarify the difference between sponsorship strategy and mission/vision alignment in this context. While commercial organisations frequently form sponsorships to align with their corporate social responsibility strategies, the relationship for non-profit organisations is generally not that simple. Mission and vision alignment serves to represent how closely an organisation's vision is related to that of the community or other event being sponsored. Sponsorship alignment, conversely, focuses on what and how the sponsor supports their goals. (Sepulcri et al.2022)

7. Conclusion

This case study highlights the leadership challenges faced by Carbon 6, a non-profit organization, and proposes a multi-pronged approach to address them. The unique environment of non-profits, with limited resources and a focus on social impact, necessitates a different approach to leadership development compared to for-profit organizations.

The analysis identified key challenges such as volunteer burnout, reliance on sponsorships and public partners, and a lack of proper training for leaders. These challenges hinder Carbon 6's ability to achieve its goals and maximize its impact.

The proposed solution revolves around a robust change initiative with a strong emphasis on leadership development. This initiative includes:

- **Engagement of all stakeholders:** The design of the change initiative should involve the executive board, staff, volunteers, and beneficiaries.

- **Clear vision and goals:** Establishing a clear vision and set of goals that everyone agrees upon is crucial for successful implementation.
- **Leadership development:** Equipping leaders with the necessary skills, particularly emotional intelligence, is essential for leading a virtual workforce effectively. This can be achieved through online learning platforms, focused leader forums, and other tools.
- **Capacity building:** Providing training and knowledge-sharing opportunities for staff across various areas such as leadership, management, and technical skills. Collaboration with other sectors can help overcome financial limitations in developing training programs.

By implementing these recommendations, Carbon 6 can build a more sustainable and effective organization, empowering its leaders and staff to create a positive social impact.

8. Appendix 1: Detailed Change Plan for Carbon 6

The objectives and goals of the leadership change plan are to create a situation where the Chief Executive Officer and Managing Director are able to lead their workforce using their openness and solution-orientation. The steps and the outcomes desired within the emotional intelligence attributes are detailed. Three tools are also proposed such as Dipp as a way to develop competencies from isolation, the use of E-Learning Modules that offer a range of figures in the E.I. space, with tools that include apps and psychometric tests, and Focused Leader Forums to discuss online learning tools and to enable a safe environment for support and exchange. This leadership development plan has been recommended in order to equip the chief executive officer and his managing director with the vital competencies necessary for effectively leading their team while not being co-located. As Carbon 6 has already committed to becoming a Virtual Workforce, its leaders' future successes will largely depend on it. (Deshpande & Srivastava2023)

In order to overcome the leadership challenges paired with ineffective change, it is proposed that an expanded seven-step change initiative be implemented to develop the interpersonal and emotional intelligence of the Carbon 6 leadership. Always-on virtual tools such as Dipp can be used during the development process while also combating isolation symptoms in real-time specific for remote leaders. In the previous literature on leadership development, there is a significant underdevelopment of leader development programs targeted at developing suitable leader competencies for virtual and remote leaders specifically. Currently, most programs focus on executive or individual leader development attributes.

Initiative change activities and protocols:

1. Skill Building

- Training for project managers, 2nd and 1st line managers on how to give and receive feedback.
- Training for project managers, 2nd line and 1st line managers on coaching skills.

- Training for project managers, 2nd line and 1st line managers on change management.
- Training for project managers in these same skills is currently under discussion.

2. Feedback

- Individual face to face feedback sessions with participants based on the outcomes of 360-degree feedback.
- Full team feedback session with summarized outcomes of the 360-degree feedback.
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3. Diagnosis

- Inception meetings with 1st and 2nd line managers.
- Diagnostic questionnaires filled by participants.
- Integration meeting with the change sponsor and 1st line managers.
- Integration meeting with the change sponsor and extended management group.
- Validation of outcomes with 1st and 2nd line managers.

Calendar of Change Management Process & Timeline Mapped with Organizational Structure

Here we present our intervention plan with timelines, which includes a variety of intervention methods. It is intended as a sample plan only to stimulate the design of your own intervention.

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