Leadership Competencies in a Diverse Culture

Leaders need to promote and to engage in divergent thinking if they are to be effective in a world of diverse cultures. One of the critical challenges that leaders face today is how to move beyond a merely theoretical agreement to accommodate diversity and instead use diversity as a strategic lever that propels innovative ideas and solutions. The American Red Cross learned, through its response to Hurricane Katrina, how ill prepared it was to provide a suitably diverse response to the crisis. “During the days and weeks after the storm, language and cultural barriers created serious miscommunication, misunderstanding, and mistrust between the largely white volunteer corps and the [diverse] residents of the gulf region” (Asirvatham, 2007). As a result, the American Red Cross was not able to provide support to all those who needed it. At that time, both the leadership and the organization appeared not to have the necessary cultural competence or the divergent thinking to respond to the diversity of the victims of Hurricane Katrina. Since then, the American Red Cross has been asked some difficult questions by members of the House of Representatives and has engaged in a process of reflection and change (“Red Cross Makes,” 2006).

In this chapter, we review the current portrait of diversity among the leadership of the not-for-profit sector in North America. Then, we describe some leadership practices that current and aspiring leaders in the sector need to develop. We discuss what we might do to enhance diversity of thought and practice in the sector. We focus, in particular, on integrative thinking, a recent and exciting approach to rigorous thinking (Martin, 2007). We conclude with a description of an interesting initiative developed by the Maytree Foundation, which is designed to increase diversity in the leadership of the greater Toronto area. We have also included some questions that aspiring leaders in the not-for-profit sector should consider as they think about working in this challenging sector.

Portrait of Diversity

The portrait of diversity in the not-for-profit sector is disappointing. According to Tempel and Smith (2007), research has found that diversity is a significant challenge in the not-for-profit sector. The lack of diversity is most pronounced at the leadership level. Similarly, according to a 2004 study conducted by the Annie E. Casey Foundation, most of the not-for-profit leadership in the United States is white while less than half of the not-for-profit organizations they lead serve white communities (Annie E. Casey Foundation, 2004). As well, 90% of the leadership of foundations in the United States is also white (Tempel & Smith, 2007).

Compasspoint's research on executive directors found that 82% were white and, perhaps even more significantly, that young executive directors were white, too (Watson, 2007). Furthermore, the larger the organization, the less likely it is to be headed by a woman (Joslyn, 2007). Light (2002), in his study of 250 not-for-profit executives, notes, “the data reveal not only a glass ceiling at larger non-profits but a significant age bulge” (p. 82). Therefore, women and younger executive directors tend to work at smaller, younger organizations. A recent study of board members in the United States found that 86% were white (Joslyn, 2007). The picture is not entirely bleak, however. A recent exploratory study on social entrepreneurs found that they are likely to be female, nonwhite, younger, urban, college-educated individuals with some business experience (Van Ryzin, Grossman, DiPadova-Stocks, & Bergrud, 2009).
The Canadian picture is not much different than the American one. The leadership in Canadian not-for-profits “is primarily female, aging and not very diverse” (Toupin & Plewes, 2007, p. 130). At the board level, women are quite well represented, but the percentage of board members from different ethnic backgrounds and from visible minorities is small; for example, women hold 44% of the board seats, but whites are most likely to be on boards (average of 87.6%), followed by Aboriginals (average of 8.2%), and South Asians (average of 7.4%) (Bradshaw, Fredette, & Sukornyk, 2009). These data are disturbing, as Canada is believed to be the most ethnically diverse country in the world (RBC, 2005).

There are various explanations for the lack of diversity in the not-for-profit sector. Tempel and Smith (2007) have identified some key barriers: (a) the many pressures that not-for-profit leaders face, coupled with the competing ways they are evaluated, can get in the way of their valuing and planning for staff diversity; (b) there is a lack of diversity training for the current leadership; and (c) it is difficult to attract, retain, and promote younger, diverse individuals to become sector leaders. Others have noted that “inconvenient truth” in the not-for-profit sector:

[The] ways we transact business, seek information, move from job-to-job, advance our ideas and seek collaborative partners all rely on relationships and trust. Doing what is comfortable may lead us to seek out only those we are used to collaborating with, relying on familiar networks.... The exercise of preference reinforces exclusion. (Lindsey, cited in Tempel & Smith, 2007)

In short, the portrait of the degree of diversity among the not-for-profit leadership is not inspiring. Furthermore, it appears that the degree of diversity in the not-for-profit sector lags that of the for-profit sector. This portrait is particularly concerning as the not-for-profit sector, at its heart, exists to right social injustice. Light (2002) presents a sobering insight on the consequence of organizational exclusion—or lack of diversity—when he notes,

To the extent the nonprofit sector sharply constrains the number of new organizations in coming years, it will lose an important training ground for the young, female, and non-white executives ... to fill the leadership posts about to be vacated by the older, male, and white executives at its larger, flagship organizations. (p. 83)

The North American not-for-profit sector is already facing a serious leadership deficit that is likely to worsen. As Crutchfield and McLeod Grant (2008) note, “At a time when the social sector is growing in size and importance, the need for skilled leadership has never been greater” (p. 176). According to Tierney (2006), the not-for-profit sector in the United States will need to find 640,000 new executives by 2016. The leadership deficit is large, and the demand for competent leaders is growing: “The steady rise in the number of non-profits and the commensurate need for more management talent shows no sign of stopping” (Tierney, 2006, p. 29). The picture in Canada is similar. In addition, there is concern that younger individuals may not be attracted to the not-for-profit sector as they can often get better salaries and working conditions in the for-profit sector (Toupin & Plewes, 2007, p. 130).

**Leadership Competencies**

The leadership literature is vast and will not be reviewed here. Rather, we focus on some of the current thinking about what makes an effective leader in the not-for-profit sector, today and tomorrow. Light (2002) notes, based on his research of excellence in the not-for-profit sector, that “it is impossible to overstate the importance of the leader to the high-performing organization” (p. 50). His findings identify five key conditions that a not-for-profit leader needs to create for followers so that they can succeed: (1) foster open communication, (2) motivate people, (3) fundraise, (4) clarify board/staff relationships, and (5) embrace participation (Light, 2002). One of the respondents to his study describes the tensions of being an effective leader, noting that leadership involves inspiring inspiration in followers and helping them find their own inspiration.

Servant leadership is a model that leaders in the not-for-profit sector should examine as one way to encourage
their followers to find their own inspiration. The concept was first articulated by Greenleaf (1977), who was inspired by the character Leo in Hermann Hesse's book, *Journey to the East*. Leo is a servant, and when he disappears, the group he served struggles to stay together and then disbands. Greenleaf says,

*This is my thesis: caring for persons, the more able and the less able serving each other, is the rock upon which a good society is built…. If a better society is to be built, one that is more just and more loving, one that provides greater creative opportunity for its people, then the most open course is to raise both the capacity to serve and the very performance as servant of existing major institutions by new regenerative forces operating within them. (Quoted in Greenleaf Center for Servant Leadership, 2008)*

Servant leadership entails a desire to serve and to empower followers. It has been labeled Theory S and contrasted to Theory X, Y, and Z styles of leadership (Stone & Winston, cited in Wong, 2003). Theory X views followers as lazy individuals needing to be controlled. Theory Y views followers as individuals who are self-motivated, and Theory Z tries to incorporate both views (Wong, 2003). Theory S is closest to Theory Y; it assumes that followers will respond well to those leaders who serve and empower them in their work. While Theory S is grounded in a Judeo-Christian tradition and practiced by some Christian church leaders, its 10 competencies have broader application, especially for leaders in the not-for-profit sector. They are: (1) listening, (2) empathy, (3) healing, (4) general and self-awareness, (5) persuasion, (6) conceptualization to “dream great dreams,” (7) foresight, (8) stewardship, (9) commitment to the growth of followers, and (10) building community (Spears, 2004). Practiced together, these 10 competencies should help leaders in the sector to respond to the diversity of their followers by giving them voice. The leaders, in turn, should be able to grow in their ability to think beyond their own lived experiences and beyond the scope of their own interests.

Similarly, Badaracco's (1998) model of moral leadership should help leaders in the not-for-profit sector to be guided by their moral compass as they make decisions. Badaracco highlights the importance of defining moments in shaping who we are and how we act. He describes a defining moment as one “that challenges us ... to choose between two or more ideals in which we deeply believe. Such challenges rarely have a ‘correct’ response” (Badaracco, 1998, p. 3). In defining moments, leaders need to manage the tension between diverse and possibly divergent values and make a choice that permits some sort of harmony between or integration of them. Defining moments “force us to find a balance between our hearts in their idealism and our jobs in their messy reality” (Badaracco, 1998, p. 11). If defining moments lead to a process of self-inquiry and reflection, leaders can learn from them and shape and refine their moral compass. The task is daunting but vital so leaders in the sector can build their character as they use their moral compass.

Current and future leaders need to be able to respond to the increasing diversity around them, both demographic and intellectual. Leaders need to become culturally competent, at a minimum. Rose (2008) urges not-for-profit leaders and staff to get an in-depth appreciation of the cultures of the individuals their organizations are serving. According to Egan and Bendick (2008), cultural competence is a “set of congruent behaviours, attitudes, policies ... in professionals that allows them to work together” (p. 391). They see personal cultural intelligence as having four elements:

1. **Metacognitive intelligence**—the ability to perceive others’ cultural preferences before and during interactions
2. **Cognitive intelligence**—knowledge of socioeconomic dynamics of other cultures
3. **Motivational intelligence**—desire to learn about and function in situations involving cultural differences
4. **Behavioral intelligence**—the ability to exhibit situationally appropriate behaviors

Their model is useful as it highlights the complexity of becoming culturally competent while highlighting some possible levers leaders can use to effecting personal development. The idea of cultural fluency expands the model of cultural competence. According to LeBaron, it is “the ability to internalize and respond to a range of different world-views or perspectives ... to understand a range of starting points and cultural currencies, and to
LeBaron provides a helpful metaphor in explaining her concept of culture: She describes culture as an “underground river because it is fluid, changing and hugely influential but often outside people’s ... awareness” (Hartley, 2005, p. 1). Leaders in the not-for-profit sector should practice heightened awareness of the cultural differences among all its stakeholders so that they can have more thoughtful impact in their work. There is an interesting paradox here as leaders need to become more conscious of the degree of cultural diversity so that they become more culturally fluent. And doing so will make them better able to manage the differences between them their different and differing stakeholders.

Becoming culturally competent and fluent is not an easy process, and strong individual and organizational forces of inertia can hinder the process. The most pervasive of them is prejudice. Although it may be consoling to think that individuals and organizations are free of bias, particularly in the not-for-profit sector, discrimination continues to plague society in North America. For example, Wesley (2008), in her in-depth study of minority women in executive-level positions in American not-for-profit organizations, found that an individual's race and gender can affect career progress. Other research hopefully suggests that people can overcome their biases by changing their thinking to see people as individuals rather than as members of a group (Thiederman, 2008). She argues that it is possible to “bust bias” because there

*is no genetic predisposition to bias, no bias gene rides on our chromosomes, there is no DNA test that can identify who is biased and who is not. Bias is learned. It is an acquired habit of thought rooted in fear and fuelled by conditioning and, as such, can be unacquired and deconditioned.* (Thiederman, 2003)

To deal with prejudice in organizations, Ashburn-Nardo, Morris, and Goodwin (2008, pp. 333–334) suggest, perhaps paradoxically, encouraging confrontation of discrimination, noting that “encouraging confrontation may see like a counter-intuitive.” However, they use a definition of confrontation—expressing dissatisfaction about discriminatory behavior to the individuals engaging in such behavior—that can range from subtle to more direct confrontations. They have developed the confronting prejudiced responses (CPR) model, which should be useful to individuals in the for-profit and not-for-profit sectors. Their model is essentially decision process of five steps, each of which can be a behavioral hurdle. Assuming that there is a discriminatory event, then the first question is “Is the event interpreted as discrimination?” If the answer is yes, then the next question is “Is the event interpreted as an emergency?” If the answer is yes, then the next question is “Does the observer take responsibility?” If the answer is yes, then the next question is “Does the observer identify a response?” If the answer is yes, the next question is “Does the observer take action?” And if the final answer is yes, then the outcome is to confront the discrimination. If the response to any of the questions is no, then the outcome is not to confront discrimination. Not-for-profit leaders can become trained in this model so that they act to address and confront discrimination in their workplaces and beyond.

Besides becoming culturally competent themselves, leaders need to create organizations that are culturally competent so that they can attract and retain a diverse staff and volunteers. Leaders should begin with an initial audit of the level of cultural competency in their organizations and then engage in cross-cultural training for the staff and volunteers. In addition, leaders need to ensure that the organization’s symbols are culturally appropriate. It is important that a commitment to diversity and cultural inclusion are incorporated into the organization’s mission and values (Del Castillo & Zalenski, 2008). Not-for-profit organizations have been urged to create a senior role of diversity officer as one way to improve diversity and to signal its importance (Asirvatham, 2007). Leaders need to be able to deal with the inevitable conflict that will arise from the diversity of cultures and thoughts and serve as boundary spanners within their organizations and with the organization’s stakeholders (Del Castillo & Zalenski, 2008). Leaders need to model the way, create succession plans so that their values continue after they leave, look out for diverse talent, and celebrate diversity (Anft & Joslyn, 2007). Furthermore, it is vital that a commitment to diversity and inclusion shape the values of the organization. Recent research on the basis of volunteers’ commitment to their jobs highlighted that the greatest motivating factor was values. When volunteers are matched with jobs that are congruent with their values, they are likely
to be happier and to continuing volunteering (Upsher-Myles, 2007).

According to Lipman-Blumen (2002), leaders must learn to integrate two opposing tensions—interdependence (e.g., overlapping visions, mutual problems, and common goals) and diversity (e.g., diverse nature of individuals, groups, and organizations). Leaders must face, address, and integrate the two and develop their ability to be connective. The world has now become so connected that leaders need somehow to understand and address the paradox of connection and difference. According to Lipman-Blumen (2002),

[Unlike] individualistic leaders before them, connective leaders, can see the overlap between their own visions and those of other leaders. Eventually, through joint action on even small problems, stereotypes of opponents often soften, empathy sprouts, and the common ground expands. (p. 91)

Connective leaders are characterized by six key competencies:

1. Being political, but ethical, savvy
2. Displaying authenticity and accountability
3. Engaging in a politics of commonalities, which is inclusive
4. Thinking long-term and acting short-term
5. Leading by expectation
6. Pursuing a quest for meaning

Being a connective leader is not easy; however, as not-for-profit leaders work in a diverse and interdependent culture, the connective leadership model gives both guidance and comfort as they navigate the uneven and unpredictable terrain. The idea of connective leadership seems to capture the spirit of ubuntu, an African word for which we have no North American equivalent. According to Tutu (2009),

Africans have this thing called UBUNTU. It is about the essence of being human, it is part of the gift that Africa will give the world. It embraces hospitality, caring about others, being able to go the extra mile for the sake of others. We believe that a person is a person through another person, that my humanity is caught up, bound up, inextricably, with yours. When I dehumanise you, I inexorably dehumanise myself. The solitary human being is a contradiction in terms and therefore you seek to work for the common good because your humanity comes into its own in belonging.

**Integrative Thinking for Diversity**

Plato's observation on the role of introspection and critical discourse in enabling personal and professional development has relevance for the not-for-profit sector. It points to why approaching diversity from an integrative frame is important: Social innovation is facilitated when individual and organizational actors are able to develop common standards of critique and debate in a genuine quest for newer, more robust models with the potential to increase the sector's contributions.

One essential prerequisite to capturing all the value that comes from the not-for-profit sector is to harmonize the potentially disparate understandings of the value of diversity. This is a critical first step. To take on the big, tough questions of our age—such as poverty reduction, equal opportunity employment, accessible education, global health solutions, environmental sustainability, and social exclusion, to name only a few—the not-for-profit sector must have a framework that promotes equity of voice regarding idea generation and the subsequent program design and evaluation. This, however, is much easier said than done, as the demands of funders and stakeholders are often quite divergent. On the one hand, activists and community organizations are reacting to the harsh realities on the ground. Meanwhile, the business sector, which is becoming an increasingly important partner in social transformation, demands the metrics of success that demonstrate a systemwide return on investment. This tension has led to the emergence of a new cadre of leaders, social entrepreneurs, who try to marry the best of social mission and business practice; two examples are the late actor Paul Newman and Jeff
Skoll, founding president of eBay.

In his *Dialogues*, Plato presents a powerful argument for the necessity of a community of practice that engages in critical thinking when he notes that it

*is in the rubbing together of these [ideas], each with the other—names and definitions, and things seen and sensed, ... testing them in arguments with goodwill and questioning and answering without jealousy, there flashes forth the light of intelligence and reason with respect to each thing.* (Cited in Desjardins, 2004, p. 212)

The philosopher’s choice of metaphor (“flashing forth”) is an evocative one. In our view, a reasonable interpretation is that Plato was speaking of diversity of thought, an emergent yet incredibly important area in social transformation. However, one of the obstacles to the articulation of unconventional approaches within organizations is self-censorship. Self-censorship is often a result of a fear of judgment by others within the organizational context. Only when leaders set the tone by engaging difference as a source of a positive, creative tension can the stigma around raising unconventional ideas be lessened. Integrative thinking is one tool that enables leaders to so do.

**Integrative Thinking**

Integrative thinking is the ability to face the tension between opposing models so that we do not pick one but we generate a creative resolution or model. As Martin, the thought leader on integrative thinking puts it,

*The new model contains elements of the individual models but is superior to each. This means that Integrative Thinkers are model creators not model takers.... It means that whenever you face a decision between two options, don't think that your job is to choose: think that your job is to create a better option.* (Dcontinuum, 2009)

Integrative thinkers have several distinguishing characteristics: (a) they take a very broad view of what is salient and do not mind dealing with messy, complex problems; (b) they do not flinch from considering multidimensional and nonlinear causal relationship; (c) they do not break down problems to work on each component separately but keep the entire problem in their minds as they work on the problem; and (d) they will look for creative ways to resolve the tension, rather than accepting trade-off (Martin, 2007, pp. 41–43).

Being an integrative thinker is not easy. However, Martin (2007, pp. 144–157) has developed some tools that can help us become integrative thinkers. The first tool is generative reasoning, which is a process that asks not what is but what might be. Generative reasoning is useful for helping us develop frameworks for addressing creative tensions. The second tool is causal modeling, which helps us understand the nonlinear and multidirectional links between relevant variables. Martin illustrates the tool of causal modeling by describing the pioneering work of Taddy Blecher, founder of CIDA City Campus in South Africa. Blecher built a causal model that helped him go from the existing state of disadvantaged, disempowered black youth who had neither hope nor opportunity to his desired end state that they would have self-esteem and opportunity. The third tool is assertive inquiry, which requires us to explore opposing models and, in particular, models that oppose our own. Used together, these tools should help leaders better understand the diversity and the complexity of the not-for-profit sector but also become more agile thinkers. In essence, agile thinkers have growth mind-sets (Elmhirst, 2006). Dweck (2006), who developed the distinction between fixed and growth mindsets, describes the individual with a growth mind-set as follows: “Because you believe your basic talents and abilities can be cultivated, the whole goal is to learn and improve” (Elmhirst, 2006). Agile thinkers have a growth mind-set, coupled with a stance of openness, and are therefore better able to understand and face the messy realities in which they work.

**Maytree Foundation Initiative: DiverseCity**

The Maytree Foundation was founded in 1982 in Toronto, Canada, and began working on the issues of
multilingual literacy and refugee settlement. Since then, it has expanded its work such that it now has a significant role in generating social action and policy on making Canada a more diverse and inclusive country. The foundation sees its role as

[investing] in leaders to build a Canada that can benefit from the skills, experience and energy of all its people. Our policy insights promote equity and prosperity. Our programs and grants create diversity in the workplace, in the boardroom and in public office, changing the face of leadership in our country. (http://www.maytree.com)

In 2005, the foundation launched its abcGTA initiative, which was renamed DiverseCity: The Greater Toronto Leadership Project in 2008. The foundation works in partnership with Toronto City Summit Alliance to support the initiative. DiverseCity consists of a group of projects led by prominent community individuals “who recognize the potential and value of diversity in leadership for the region’s social and economic prosperity” (“DiverseCity Counts,” 2009). The DiverseCity initiative has eight components: (1) Nexus, a speakers’ series; (2) Fellows, fellowships for rising leaders; (3) onBoard, a program to match diverse candidates with governance positions; (4) Civic Leadership, a program to equip new leaders to run for office; (5) Voices, which connects subject-matter experts to media; (6) Advantage, which builds a research base on the advantages of diversity; (7) Perspectives, a discussion forum; and (8) Counts, which tracks progress. Its first DiverseCity Counts report found that visible minorities are underrepresented in the most senior leadership positions in the greater Toronto area. About 45% of the population in the greater Toronto area are visible minorities. In particular, among the largest charitable organizations and foundations, visible minorities represent only 8% of executives and 14% of board members (“DiverseCity Counts,” 2009, p. 2).

While the initiative is still in its early stages, it shows promise as it provides a systemic and multipronged approach to increasing diversity of participation in the community. In addition to the research that DiverseCity is sharing, there are diversity resources available from the Annie E. Casey Foundation, the Center for Assessment and Policy Development in New Jersey, and the Cultural Competency Initiative, which is a project of the Alliance for Nonprofit Management, among others (“Advice on Diversity,” 2007).

Summary

Both leaders and organizations in the not-for-profit sector face significant challenges if they are to become diverse in practice and thought. This chapter has outlined the nature and the challenge and provided some intellectual tools to assist. The sector needs talented young people as it is facing a significant leadership deficit in North America. The sector needs to attract, to retain, and to develop a diverse pool of young people who have the passion and the intellectual rigor to confront and address social injustices. As Schmitz and Stroup (2005) urgently and correctly note,

[All] parts of the nonprofit world must unite to develop additional ideas and push for resources to be directed [toward] the most-promising approaches. At a time when nonprofit groups are being asked to do more with less, steps should be taken to assure that a talented and diverse work force is available to ensure the future effectiveness and growth of organizations working to improve communities at home and abroad.

—Ann Armstrong
—S. Nouman Ashraf

References and Further Readings


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