



The Open University
Business School
Walton Hall
Milton Keynes
MK7 6AA



ON BEING A CHIEF EXECUTIVE: PRELIMINARY REPORT

Introduction

“On Being a Chief Executive” (OBACE) is an in-depth research project designed to assess what it is really like to be a CEO in a charity day-to-day, how this feels, how individuals respond and how this relates to the CEO’s development of strategy, structure and the other requirements of the job. The results of the project will be a book for practitioners about the practice of leadership in nonprofits, workshop programmes, learning resources and illustrative case studies, materials for use by coaches of senior managers/chief executives and an article or series of articles dealing with the main themes of the work. Richard Brewster, who for 8 years was Chief Executive of Scope, one of the UK’s largest nonprofits, and Rob Paton, Professor of Social Enterprise at the Open University Business School in the UK have led and conducted the research. A Steering Group oversees the project. Its members are the heads of the two main umbrella organisations for voluntary sector chief executives in the UK, a previous chair of the UK Charity commission, and the community affairs directors of two corporate sponsors.

The Research Process

The research for OBACE has been conducted in two main phases.

In the first phase, we recruited a "core group" of nine CEO’s (including Brewster.) This core group comprised seven CEOs of voluntary organisations and one each from a local authority and a freestanding government agency. We then engaged with these CEOs in a number of ways designed to ensure that we achieved comprehensive accounts of their working lives and experiences and their reflections on these: 3 to 4 hours of confidential individual interviews with each member of this core group; a retreat for three days in which all members of this group participated; three or four once a week video diaries of 10 minutes in which each reflected on the events of the previous week; in July 2006, a day long reunion of this core group and follow-up interviews with the two members who could not attend. All the interviews and discussions were recorded and transcribed. All the material is subject to a confidentiality agreement.

In the second phase, 58 other CEOs attended one of three seminars in London, Bristol (a city in the west of England,) or Leeds (a city in the north of England.) The primary purpose of these seminars was to gather further data from as large and diverse an assortment of CEOs as possible, in order to check, qualify and elaborate the analysis arising from the extended, in-depth work with our 'core group'. Their organizations ranged from some household names, through many medium-sized national bodies and some smaller regional and local agencies. They encompassed a very wide range of sub-sectors.

In this paper, we attempt to capture the main themes that emerged from the material we have collected. We have drawn primarily on the interview and retreat material gathered during the first phase of the project from the principal participants in the "core" group, but have added some stories, examples and reflections from the "secondary" group. The themes that emerged from the core group were broadly confirmed by the seminar attendees.

The "core" group

The members of this group were the chief executives of:

- A regional agency **that** worked with disadvantaged ethnic minority groups, particularly on issues of sexual health.
- A national mental health charity.
- A medium-sized national charity that works with children with a particular type of disability and their families.
- A medium sized but well-known homelessness charity.
- The major citizens advice agency in the UK.
- One of the main children's charities in the UK.
- A large government sponsored agency that operated the UK's largest provider of skills, training and employment services.
- A large local authority.

Richard Brewster, previously of Scope, was also an interviewee and a participant at the retreat.

Approach to analysis.

The crude output of the research with the "core group" amounts to just over 900 pages of transcript [approximately 400 pages of the discussions at the retreat and 500 of interviews,] and approximately 8 hours of video diary recordings. The group discussions at the seminars generated a further 600 pages. We did not try and anticipate how we might categorise this material and in structuring the interview questions we tried to avoid questions that would predetermine classification. The approach adopted was the laborious one of 'labelling' every discrete comment transcribed with what seemed an accurate description, assessing whether these descriptions could be justifiably allocated to broader categories and then allocating each quote accordingly. In the event, participants' accounts and reflections fall, reasonably naturally, under the following headings, though in most of these, there are sub-headings:

- What chief executives actually do, one of the main initial purposes of the research.
- Making things Happen: the complex of means, ranging from doing work themselves to subtle and complex interventions through structures and processes through which these chief executives bring about the changes they want.
- Working Relationships: the wide array of internal and external relationships that enable and underpin a chief executive's ability to make these changes happen.
- Decision Making: the range of ways in which chief executives make or influence decisions, the nature of that decision making and the differing levels of freedom to decide that chief executives in different types of organisation experience.
- Learning in the job: how chief executives react to success and failure and develop in their ability to do the job as a result.
- Relationship between the Individual and the Job: how these chief executives maintain a sense of perspective, health and energy, space to reflect and focus; how they see themselves as individuals influencing their approach in the workplace.

We have arranged this summary of the material under these headings. The material has been anonymised.

WHAT CHIEF EXECUTIVES ACTUALLY DO

“Oh my God, I started at 5:00 with some breakfast show or the other. And then I spent the day being beaten up by government or other..... agencies. And I’ve come back and I’ve had a fight with staff. And I haven’t had ten minutes to do my emails. And now I’m off to some bloody fundraising dinner.”

For many new in a Chief Executive post, particularly those who have had relatively tightly defined functional responsibilities, how to decide what to do with your time can initially be challenging. From the perspective of those not in the role, the same challenge can be expressed differently: "What exactly **does** he spend his time doing?"

This section/chapter of the planned book that details the working lives of CEOs will include diaries that combine schedules and video diary content: the idea is to present a "typical" picture of appointments etc. There are a number of different patterns, but it is possible to infer a number of conclusions from the material:

- Meetings apparently dominate. But these can cover constitutionally required, sometimes ritual decision-making meetings, committee meetings, other routine meetings (particularly one-to-ones with direct reports and leadership team meetings,) and meetings that would normally be seen to go with the territory - larger staff meetings and discussions with staff that will often take place as part of a visit to a site or activity.
- Governance arrangements and the size of the organisation will determine quite different patterns of meetings, and the level of control that the CEO has over whether, how and when they take place.
- For this research group at least, the amount of time spent in external activities is substantial: as the organisation's figurehead, the CEO will be particularly engaged in media work, policy influencing work and leadership, fundraising, and promoting, seeding or exploring ideas. The range of contacts turned out to be far wider and more complex than we expected.
- Many "meetings" in which substantive discussions take place are informal/in passing encounters.
- A significant amount of work takes place that is not (on the face of it) directly connected to the work of the CEO's organisation: external boards or committees are the main vehicles for this.
- Paperwork, often seen as the 'wallpaper' of the job, can be fundamentally important, as well as a cause of frustration: people talked about "paper muddles" and boredom, but also of the enjoyment of reading stimulating material that also made a direct contribution to the job.

- Very little time is set aside specifically for thinking about the role of CEO - it all happens in the "spaces between."
- It is impossible to discern many patterns in the working hours of these particular groups of chief executives. The numbers of hours worked varies considerably, ranging from 50 a week to around 80; they also vary for each individual depending on particular circumstances in his/her organisation and on external demands. Some people work long hours during weekdays, and attempt to keep the weekends free; others work at weekends because they have to; others try and preserve the weekends for more reflective work or for reading material that is enjoyable or illuminating to read [as opposed to necessary.] Those patterns that there are, are predictable: most participants reported working much more intensely during the first two to three years of their tenure, though this intensity would be renewed if they decided, for example, on a major restructure; evenings are important for external networking; several participants used the very early mornings to stay on top of paperwork.

There follow a dramatised example of a ‘day in the life’ of the CEO of a large charity, and an account of part of a day given us by the boss of a smaller one.

“Up and out, remembering the fax sent by the chairman the previous evening on a trustee complaint about staff behavior. I read this on the train, interrupted by a call from the chairman.... which makes me spill coffee on his fax which asks for a brief by midday that same day in preparation for his meeting with complaining trustee tomorrow. I spend the rest of the train journey writing the brief. Arrive in the office: e-mails: half I delete without looking, 6 advertise conferences, workshops, books and various other ways I can improve myself and my organisation; I save one because it looks as if it might be interesting; three messages are comments of praise from service users because they love the new website we’ve specially designed for them. They get a reply....Meanwhile my secretary hovers: signatures are needed on a large capital expenditure approval....Senior team meeting is next. As I’m going in, I’m caught by a human resources adviser who has just received a complaint form a charity shop volunteer of bullying by her manager. “Put it through the normal procedures” I say. “Sure, I will. Just thought you’d like to know that the volunteer is the son of the longest standing board member” says the HR person.”

The senior team meeting covers three items: first the continuing saga of the introduction of outcome management. The plan is to talk about the relationship between output data and outcomes themselves. However, one service director has two managers who two months in a row now have not produced the basic output data required. What they have produced is a complaint that their teams don't see the relevance to the lives of their clients and how can they justify the work anyway when the unit's budget has just been held at last year's level; furthermore, the computer in the unit is three years old and out of date for the type of data collection we have asked them to implement. So we talk about how to support the staff in a way that'll help....or rather we do once the finance director has said that his computer is three years old and works perfectly okay, and heard an impassioned and moving sermon by our outcome champion of how outcome management

can transform the lives of disabled people. We just remember to note in all this that since we introduced the approach in one area- supporting disadvantaged people in work- 50% more people are being supported. Second up is a discussion of a new approach to staff/board relations, part of an ongoing plan of board development. The chairman joins us for this one and I realize I forgot to give my disk and the coffee stained fax to my PA for tidying up for him. "I think I need a comfort break" I say and leave. Everyone is polite until the chair asks completely off the point where his darned brief is. I suggest that his deadline was too demanding, and that I'm not impressed that a board member's son has used his father's status to complain directly to me as the chief executive: "What price the new Board guidelines now?" I ask. The chairman looks hurt and I feel guilty at such emotionally unintelligent behavior- I actually managed a two-day workshop on this six months ago. Out of the gloom that's enveloping the room the finance director of all people makes three suggestions of change in the new framework for staff/ board relations, we all agree, I tell the chairman that his brief is with my PA, and we all break smiling.

.....Only to return to discuss retirement plans: we're hurting: overall the bill will go up £500,000 next year because of a fall in the value of our portfolio over the last year, and new rules on accounting for pension fund liabilities in our balance sheet make the situation worse. The facts are clear. We grin and bear it and lay out criteria for choosing what not to spend money on next year. FR director mutters something darkly about a fall in foundation grants, but we're depressed enough and ignore him.

Lunch in the sandwich bar and I meet someone I've known for years. "It's really nice to see you," she remarks, It's amazing how rarely this happens given we work in the same building."

Next on the schedule is a visit to a specialist service supporting children using technicians from Hungary. They are still complaining – usually in Hungarian- about the quality of accommodation we provide them with, but a glorious thirty minutes follows {pace of speaking slows...} during which the pace slackens slightly and I can simply watch the work. A second visit is to a team in a finance section - lots of transaction processing here. It turns out they are delighted for me to visit because they're desperate to show me a piece of new software they've got on free trial that will make all the difference: can they breach their capital expenditure budget just this once? I actually like it but I explain that they go through the normal channels like everyone else.

Finally, to Whitehall for a meeting with a senior civil servant prompted by a press leak that has put it about that a key benefit may be merged with another. I ask a series of questions, make a passionate complaint about the damage this would do to the lives of disabled people and then agree how best I can take this forward politically.

Back to the office briefly. As I'm leaving, the chairman says that the trustee for whose meeting I prepared the brief earlier in the day is no longer coming in tomorrow.....Standing room only on the London Underground - I meet one of the

directors of operations who shares with me a graphic account of the consortium meeting that she has attended. I'm sympathetic but really I am somewhere else."

"...one of the joys, one of the challenges of the job is that you're flipping up and down like that all the time and I think yesterday, I think it was yesterday, the days are all merging into each other this week, and that happens some weeks where you just think what's happened, but I was at quite an important strategic meeting in the city in the morning, which was about the children's trust, which of course is a big agenda, and I have quite a significant role on a group. It's about putting together a threshold guidance for the city around children's services, which will actually inform commissioning, so it was really sort of the future of our commissioning was going to be very much based around where we sit on this threshold, and the measures and guidance for children in family services; it was really heavy stuff and you felt completely addled when you came out of the meeting, thinking where do I go from here, three and a half hours of talking about thresholds. Where does it stop being your threshold and when does it become a target and when does it become specialist service and how will that inform commissioning? So.. when I came out of the meeting I decided to go and have a coffee and I dropped into this coffee shop and had a really big cup of coffee. Then I walked back into the office and all hell had let loose because we'd had a volunteer really lose her trolley in the office, and sadly the person that she'd lost her trolley with was one of the most junior members of staff who was sort of going '[scream] how do I deal with this woman?' And so immediately I had to go in and go into a meeting with a volunteer who was getting very angry and very agitated about something quite minor....But I had to manage it with this member of staff in a way I felt that didn't put down the member of staff who it had been directed at in the first place. She felt completely out of her depth... and the volunteer left and came back three times before we gother finally out of the building and then I sat down with the member of staff and unpicked it all and did a bit of a reflection on 'what have we learnt from this' and 'if you're presented with a similar situation again...' but it was that sort of shit, and then I had to go back to thinking oh, I've got to remember to ring so and so about that meetingtomorrow because I promised I would ring up and arrange a meeting with Mary Armitage so we can put the contract properly to bed, so it was straight back to my desk because it's now time and Mary will be finishing soon and it's happened, so you're weaving in and out all the time and sometimes you think you could go absolutely silly doing it. And whilst it makes the job very, very invigorating, and stimulating, some days you just think I'm going to need pills before much longer to get by..."

MAKING THINGS HAPPEN

In analysing all the material that describes this activity, a view emerged of what, for this group of chief executives, leading and in particular being a chief executive entails: most of what chief executives are doing is instrumental. Chief Executives usually have very clear views of what they want to see happen in their particular worlds and in their organisations. We were able to identify a wide range of interventions and combinations of interventions that CEO's employed to make those things happen that they want to see happen.

Doing the work themselves

In smaller organisations, you would expect to see chief executives doing a lot of hands-on work and it is true that in the smaller of the organisations in this group, particularly A, B, and C in its early days, the chief executives did a lot of front-line work. In the case of larger organisations there is sometimes an assumption that chief executives are mostly involved in creating frameworks for decision-making, developing structures, representing the organisation and otherwise working primarily through others. In the larger organisations in this group this is partly true (see below.) However, all the chief execs were involved one way or another in doing work directly: Most of this extensive direct engagement falls into some clear-cut categories:

- Securing external funding or service contracts: Fenton with the DTI; Frank with the Commission for Public Involvement; Jessica with the Learning and Skills Council; Alice with A's most significant commercial partners; Sarah with her organisation's principal outsourcing contract partner; and Rebecca in the case of in merger with a related charity.
- Initiating and driving policy work: James on a key issue and a critical piece of legislation; Arthur on medical negligence; Fenton on an overarching framework for G's policy work; Rebecca with the DOH on preventive screening; Amy on some important regulations.
- Covering the work of vacant director posts: Arthur – Human Resources; Amy - network support; James - Communications; Rebecca - Education.
- What were described as "pet projects:" Sarah took the lead role in a specific community development project; Rebecca initiated and kept direct control of the international work of her charity; Fenton dived down to rescue one of the largest members of his organisation; Jessica did work on course content, exams and assessment; Alice set up and ran, for up to three days a week, a whole separate project within her organisation.
- All chief execs were directly involved in a significant amount of media work; this sometimes would be in pursuit of policy change. It always involved the direct promotion of their organisations.

Some direct work does not fall into these categories: Amy became directly involved in the details of a major marketing exercise within her agency; Frank worked with colleagues with people in a group from another country to change their perspective on a

major social issue; Sarah brought in a major think tank to change the intellectual perspective on her key issue and to seed different ways of thinking.

Changing governance structures and arrangements

Several chief executives worked with their chairpeople to make changes in the way their organisations were governed: Rebecca and Arthur initiated action on individual membership/and board elections and reform of regional committees; Fenton led a governance review that led to a reduction in size of board and the introduction of membership scheme; James instigated a review that led to reduction in size of the board and a major change in organisational structure; Amy moved to ensure that the majority of board members would be consumers of the nonprofit's services. Alice secured a new chair in the aftermath of the decision not to merge with another charity. At one point, Frank was directly running the board... "otherwise nothing would have been done." Sarah sought to establish structures that complemented the statutory framework within which she worked and which might be able to take more direct action, but she and Jessica were constrained from direct intervention on many instances.

Changing management structures

All the chief execs in this group took some action, sometimes more than once, to restructure the team of people directly reporting to them: Jessica restructured in response to a departmental review and the need to raise commercial income; Arthur changed team structure first to clarify financial accountability and again because this first attempt didn't totally work and to link campaigning and services; Sarah and James restructured to increase the corporateness of the senior team and break down silos; Fenton also restructured twice, the second time partly because the first attempt did not entirely work, and "to manage by debate." Rebecca introduced two major restructures, the first as part of a complete rebuild of what was then a small organisation, the second time to enable a further step change and as part of a major funding bid.

Working through people

This is, of course what managers and leaders do by definition. Many of the activities that fall under this heading are "conventional" and certainly not unique to CEO's. However, for all the members of this group, handling staff issues preoccupied and in some ways challenged them more than any others, including relations with the Chair and Board of Trustees. The major categories of activity under this heading are:

- Recruiting, inducting, leading and managing direct reports. Delegation was predictably a major theme here: how to do this appropriately. The activity includes appraisals, arranging for feedback and phrasing and challenging individuals. The extent and nature of delegation changes with the evolution of the organisation and as the person develops in the role. Frank during the course of this research was involved in a major transition from leading on almost all

- projects in B to giving others significant lead roles. Rebecca very specifically wanted someone with planning skills that she felt she did not have.
- Removing people. All members of this group have done this. Redundancy or poor performance, or the loss of confidence of the governing body or a funder was usually the reason. The task almost always presented a challenge that entailed careful preparation, some anxiety and sometimes lost sleep. All these CEO's were concerned with preserving people's dignity and sense of future, even when it was actually a relief that an individual had left the organisation.
 - Working with specific individuals who are not direct reports: Alice worked with the Head of Policy on campaigns, and another person who ran a specific major activity of the charity; Arthur also worked with his Head of Campaigns on a range of issues; Amy frequently worked with her Head of Communications on promotion and other public relations projects. This kind of working sometimes creates tensions with those to whom the individuals with whom the CEO chooses to work report. The reasons for working in this way varied from simple reasons of efficiency, to the feeling of the chief executives that they wanted total personal control in particular circumstances, or the personal interests of the CEO. One particular example involved Sarah encouraging a particular individual with an interest in a particular sport to develop a project related to this sport as part of the organisation's programme. The aim was to tap into the individual's real passion.
 - Communication to motivate and persuade. All were involved in this on a large or small scale: Jessica did webcasts to all 300 plus of her staff across the country every eight weeks; all chief execs attended management conferences or meetings with a group much wider than their immediate team; Fenton, James, Arthur and Sarah all used e-mail newsletters and/or encouraged direct feedback. For the voluntary organisations with an elective system, the annual general meeting was a major occasion for engaging with key members but also indirectly motivating staff. Particularly noticeable and predominant in the specific content of CEO communications are analyses or stories that "reframe" for people the nature of the environment within which the organisation works and therefore justify the way in which it needs to change.

Building external relationships that can enable future business to take place, and can secure "permission" for the CEO and/or organisation to act, and 'space' for the CEO, the organisation, or its staff and volunteers to make mistakes

These can be linked to but are not the same as, relationships that form the context of current funding arrangements, contracts, other "deals" or campaigns. These relationships are being built to provide the context of future deals or are simply explained in terms of "oiling the wheels." All these chief executives develop these kinds of relationships. Examples include Jessica with the relevant ministers within the Department for Education and Skills, Frank with the Department of Health, Fenton with all levels in the Department of Trade and Industry, Sarah with the Police.

The application of strategic analysis (to the organisation's field or the organisation itself)

Like delegating, analysis by the CEO of the position and health of the nonprofit is generally seen as part of any senior manager's role. This is different from strategic planning - this may or may not follow from the CEO's analysis. Some of the participating CEO's introduced planning processes, often as a means of engaging stakeholders, particularly the Board, in setting the strategic direction for their organisation. (See below under "Initiating organisational processes.") For this group of CEOs however, in different ways, strategic analysis provided the key point of reference in analysing where the organisation was at a particular point, the basis for driving or opening up change, or changing people's perspectives on their own role within the organisation, and for restructuring. This entire group engaged in high-level future oriented thinking that sometimes meant they found themselves ahead of other people in their organisation. Examples include: Rebecca's clarity about the need for effective intervention demonstrated the imperative of contracts with a key government department for information provision; Fenton's clear understanding of the relevant policy and economic environment formed the basis of a change in the approach of his organisation members from one of entitlement to community leadership; James' clarity over the different dimensions and levels at which action has to be taken to bring about the major change in society that is the goal of his organisation became the basis for resource allocation decisions in planning and budgeting; Alice's analysis of the shifting nature of a social problem as a result of government policy became the basis for a change in the mission of her nonprofit.

Making decisions

Whether, when and how a chief executive makes a decision herself is complex (see the separate section on this,) but all CEO's will obviously spend some time doing so. The examples here are in economic matters: Jessica allocated resources specifically to make urgently needed improvements in outcomes in the basic skills of the clients of her organisation; Rebecca and James systematically checked and sometimes changed the allocation of resources to different priorities within their budgets; Arthur switched substantial money into new donor acquisition; at times in the smaller organisations, the CEO would make most or all or most resource allocation decisions: this was particularly true in Frank's case; Amy decided to switch resources from permanent staff to outside contractors in a fundraising function.

Initiating and orchestrating organisational processes

This could be informal – for example Sarah invited the Chair of Council to her senior team meetings. However, all chief execs, particularly in the voluntary organisations in the group, used formal processes, to drive change. This was particularly the case with planning, budgeting and monitoring: James and Rebecca, for example, insisted that budget allocations be linked to strategic priorities; and with strategic planning reviews or vision exercises that some CEO's introduced, partly in order to open up change but also

to ensure a high level of ownership across the organisation. Arthur, James and Frank took this approach. Fenton and Amy used strategic plan development as means of getting member groups to commit to different and better service delivery and strategies.

Establishing a very specific focus

The examples of this seemed to represent an approach that goes some way beyond the priority setting that is the result of strategic planning processes; in some cases it amounts to the expression of a value: Amy focussed on improving relationships with local member groups, and required everything to change accordingly; Fenton sought similar change in insisting on HQ staff learning to see partner nonprofits in their federation as customers, rather than satellites that should follow the instructions or moral imperatives of HQ; Jessica enforced concentration on basic skills delivery almost to the exclusion of other priorities for a limited period of time; Alice decided on two new priorities that would be the focus of a new mission for her nonprofit, and drove the organisation back to those priorities repeatedly.

Drilling down

This could be categorised as ‘Working through People’ or perhaps as a form of hands-on work, but was discussed by members of the group as a discrete activity that essentially involves probing the assumptions or proposals of other people in order to get them to justify or rethink that proposal if that is appropriate - the work and the decision are still theirs. CEO’s also described in engaging in forms of quality assurance. A particular example of the first is James digging deeper and deeper for cost reductions; and of the second, Fenton checking every word of a strategic document due to go out for consultation. There were several discussions about the reasons for things going wrong (see section on Learning in the Job,) in both interviews and the retreat, and the most common reason cited for this was not drilling down enough: Fenton felt that his had happened in the case of an IT system for case management; Arthur in the case of voluntary fund-raising projections; James in the case of a cause celebre; and Jessica in the instance of a key commercial contract.

Using money to change the nature of relationships

There is perhaps a danger that this kind of strategy is seen as inappropriate by some, but it was noticeable that some chief executives take specific responsibility for ensuring that all forms of resources are targeted on priorities by key stakeholders or partner organisations by offering more resources as a reward for strategic behaviour: Arthur, Amy and Rebecca developed or enhanced local group grant funds, and Fenton promoted free basic communications systems for two years for partner organisations as part of a deal for introducing a new service delivery system. Several organisations had explored buying staff out of old contracts as part of a change in the way people are expected to work.

Opportunism

Like establishing a specific focus and drilling down, this can perhaps simply be seen as a form of doing work directly, but at least some of these CEO's see the taking of unforeseen opportunities as a quite specific approach that can conflict with organisational processes and bypass hierarchies, processes and governance arrangements in ways that can be disruptive. For example, Fenton was given critical information over lunch by someone helping to conduct a five-year formal review that he turned into a tactical change in approach to a principal funder, to great effect; Arthur turned a major disagreement with membership into a drive for new restricted funding for priorities with almost immediate effect; Alice picked up a donation of the temporary use of a major resource that transformed one of her organisation's signature programmes, and recruited a new and very effective chair in a week in response to a sudden change in direction.

Personal assistance

Obviously a particular form of working through others, the use of their secretariat or personal staff is nevertheless peculiar enough to warrant mention as a specific instrumental strategy. Amy, for example, had an Executive Assistant who wrote board papers, speeches, and the majority of the strategic plan, and conducted research, and followed through on other work. The other chief execs in this group had a range of different arrangements for personal support. What became clear was that if this is effective, the amount of time they have to spend on organising themselves was reduced and they can leverage initiatives and ideas of their own much more effectively.

Combining these approaches

If all these categories are accepted as legitimate, there are 13 types of strategy that at least some of these CEO's describe as ways in which they make things happen. There were no particular patterns or preferences for the use of any one of these strategies or any combinations of them. All these chief executives seem to use whatever combinations of means of making things happen to effect the changes they desired:

- ✓ Rebecca developed a strategy that demanded a link between casework and policy and created impact teams that created this link on the ground;
- ✓ Frank maintained strong relations with key people in the Department of Health while handing off his previous lead responsibilities;
- ✓ Fenton combined a change in his organisation's attitude towards a key government Department with a strategy that met this department's own needs and desires so that it released funding that could be used to enhance the relationship with the nonprofit's affiliated organisations and their services to their customers.
- ✓ Amy reframed the way local groups were seen by people in the head office of her organisation, arranged to speak at meetings, simply to 'be there,' never cancelled out on an association appointment, and imposed a simple policy of prompt reply to group complaints.

- ✓ James, in order to break down silos, walked the corporate talk himself, imposed ‘corporateness’ of message, appointed a new Director of Communications specifically to integrate/unify messages, and created a new group of 40 senior managers whom he brought together twice yearly for communication and strategic planning sessions.
- ✓ Sarah, deprived of significant influence over the particular democratic arrangements within which her organisation functioned, nevertheless influenced its direction by lobbying central government directly to win a lead role for this organisation in driving the thinking and decisions on the central strategic issue and seeking ways of creating parallel structures to ‘stir the pot.’
- ✓ Jessica combined intense communication, specific delegation to members of the team and switching of resources to bring about significant improvement in basic skills outcomes.
- ✓ Alice found a new chair, recruited a complete team of temporary staff, and engaged in a significant amount of direct work that included securing a new office and service building, raising donated money and re-launching the nonprofit.

These categories of activity mix apples and oranges and the list is probably not complete. They do however make it clear that these chief executives are often catholic and entrepreneurial in the way they make things happen. This however is not a checklist for success: these individuals do not make the same selections or combine these strategies in the same way. There are marked differences in context, personal philosophy, personal background and expertise, risk tolerance, and personal style that all mean that in the same circumstances they may make different choices. The question of how they go about making these decisions will be considered in other sections of this analysis.

Sample quotations

Doing the work directly

“I heard that XYZ, the biggest entity in our network is close to bankruptcy. It is August, 2nd August, can’t pay the August salaries. Jump on a train, rush up there, f.....g mess, absolute mess, come back, PA, clear my diary, give me the leader of Birmingham Council. We put together a survival plan..... I didn't even realise how engaged I was until my PA came in and said ‘I have never seen you like this before.’And it was a throwback to an earlier time,..... I really enjoyed some consultancy work I did some of which was.... rescue kind of things and I just think it is absolute one hundred per cent, real feeling and that is the closest I have come to that in Chief Executive mode, but then again it wasn't exactly Chief Executive role, it was rolled sleeves it was about parachuting in, it was one of these things when I said, Fenton to the rescue! Bugger the fact it was about 3 tiers of management between me and this problem...”

“I’m personally doing.... new developments....some of them are not that new but for instance our overseas work I have started, I’m the only one doing it. I’m maintaining it. At some point in the future, we will get other people but it’s not yet. I’m developing artwork, particularly theatre projects and things. I’m the only one with the experience to

*do it, so it's trying to keep the rest of the organisation going, doing the change but actually leading the change and doing it as well until it gets large enough to say okay, now we can pull other people in to do it.....The overseas stuff is probably 25-30% [of his time] and the art stuff is probably 10%, so probably about 50% of my time in all..... both of those are niches in the market when nobody else was doing them and where the funding was available and where I'm having a great time... I've had really, really successful projects and actually they will be the future of the organisation and if I picked other worthy projects that would also benefit deaf people, but I wasn't enthusiastic about them, they weren't my personal passions, they **wouldn't** be the future of the organisation because I wouldn't have the heart to work as hard doing them."*

Working through others

"In February, we decided not to go ahead. By April, we had a plan of action. We got ourselves a new chair... And in August, we re-launched the organisation. It was just stunning..... I'd put together a team of temporary senior managers who were pretty good, made themselves highly unpopular with the organisation. But that was fine. They were temporary. They were going to leave. They helped me to shape it and to drive it. And by September, we were a different organisation...."

"And I could have taken the lead (on the bid for the public involvement forum) but I thought that it would be a really good opportunity for somebody else to take the lead, because it was about development and learning... it was sort of pushing for other people to take that level of responsibility. But also for them to see that they could do it."

Changing structures

"After we'd had this review from the [Govt. Dept.] about what the future of [the organisation] would be and it came up with this business of the split that I've talked about, and it was clear that we were going to have... to restructure the organisation at the same time as needing to ensure that we were continuing to deliver .. I put up a case for reorganising internally our senior team."

Building Relationships

"The Police [are] quite important because quite a few things we do jointly in partnership. Community safety is very important to people out there. And it's important for me to be associated with the community safety agenda, and the emergency planning agenda, and major incident response, and things like that."

Creating specific focus

So the simple thing we said is: 'We will value these local groups...And whatever we do we will think of in terms of valuing these local groups.' And that was the change we made. It wasn't like a strategic plan that said we'll do these 27 things and we'll deliver something at the end....over six months or so people started to change their language and

change how they saw it. So an example would be: This policy officer would come to us and say: 'There's a really important meeting on...' I say: 'Well I can't go. I've promised the [local group] I'll speak at their AGM.' 'You are going to turn down the opportunity of speaking to a minister about social exclusion rather than speaking to 20 people in a [local group?]' 'Yes, because I promised it. I've given my word I'm going to turn up and I'll turn up.' I would never cancel out..."

RELATIONSHIPS

"You buy the space to make the institutional changes that you need by people being prepared to let you, by giving you the benefit of the doubt..."

Almost all the chief executives in this research use an instrumental approach to relationships. Although the conduct of some of these relationships seemed process oriented, it was clear that however unconnected some of these relationships were with the work of the organisation or the direct responsibilities of the chief executive, all were in one way or another developed or used to make happen what the chief executives wanted to see happen.

Researchers asked participants to draw a map of their main contacts and described these. In all cases the lists were long. However, most included the following.

- Board members, particularly the chair.
- Direct reports, plus a range of more junior staff with whom the CEO chose to interact.
- Other staff – all staff in the case of the smallest organisations or selections of them determined by a combination of their roles and the priorities and interests of the CEO.
- Members or other key stakeholders of the organisation with some kind of formal status.
- Users of services.
- Donors.
- Funders of other kinds particularly companies, local authorities, or central government agencies.
- Government ministers and MPs.
- Civil servants/local authority officials.
- Professionals or professional bodies.
- Other chief executives and leaders from the same sector.
- Umbrella groups related either to the organisation's principal issue or one of the major umbrella groups for the voluntary sector.
- Coaches/mentors

Three of these categories of relationship stand out in terms of the frequency of mention by CEOs and their reported importance: board/chair relations, relations with direct reports and relations with key external players.

For the purpose of this report, we have selected to summarise the analysis of the relationships between CEOs and board and chairs.

Board and Board Chair relationships

The participants in this research underlined the importance of the relationship between the board of a nonprofit, led by its chair and chief executive officer and other senior staff. In each organisation, in one way or another, board members represented a range of constituencies that can have conflicting interests and/or interests that are different from those of paid staff. Technically, the board, with the chair in the lead, hires and fires, supports and calls to account, the CEO. While the majority of boards of the organisations whose chief executives participated in this research functioned in this way most of the time, the relationship is usually more complex than this description suggests.

The most significant points that emerged during the research were as follows.

- In most cases, the CEOs acknowledged the importance of the ownership of the vision and mission of the organisation by the board and believe that their boards played an important role in safeguarding these.
- These organisations exemplify a wide range of arrangements. Numbers of Board members ranged from 8 up to 24 [although in some cases board numbers have been much larger than this before action taken by the chief executives.] Scope, Citizens Advice, NDCS and Mind all have elective systems of one kind or another; Milton Keynes Council is of course fully elected by the voters of Milton Keynes; the board of Learn Direct was appointed, technically by ministers, with members coming from a range of sectors with an interest in learning and skills development; the other charities have cooption and selection procedures and tended to appoint people from either constituencies of importance to the charity or professionals with a specific interest in its area of work. Smaller, local charities tended to co-opt grassroots or local neighbourhood representatives, clients and representatives of key funders and/or local institutions.
- The CEOs relationships with the chair and other board members were strongly influenced by governance arrangements, including statutory requirements and frameworks. These arrangements are prescribed in most details in the local authority [see under Decision-making,] and least of all in the smaller charities. At one extreme, the timing and nature of reporting and supervision is entirely routinised and the CEO has no choice but to comply. At the other end of the spectrum, a CEO can lead the board in its decisions on both its own governance arrangements and the direction of the charity. In between, there are different levels of formality and routines with CEOs often working with the Board chair to enhance and develop these routines and frameworks.

- The amount of time spent by CEOs managing board affairs and relationships also varies considerably, from around 10% of total work time to 25%. The difference is partly related to the nature of governance arrangements but there did not seem to be any relationship between the amount of time a CEO spends with his board and the complexity of these arrangements. More likely to be influential were circumstances - several CEOs initiated transitions in the board that required a significant concentration of time; in other cases the time required was determined by the nature of the chair's relationship with the CEO and the board and the extent to which work with the board can be divided effectively between CEO and the Chair.
- The levels of contact between CEOs and board members varied significantly as well. Some CEOs reported seeing their chair once every two to three months, others once a week and one of two almost every day of the week. Some CEOs had reasonably frequent contact with other members of the board while in one case the CEO tended to work through a number of stocks with specific responsibilities for supporting trustees. Some CEOs had planned routines of meetings or some form of communication with board members outside of board meetings others worked intensely cheering board meetings and retreats to ensure relationships worked well.
- The level of pre-occupation and tension around board relationships experienced by the CEO is also influenced by governance arrangements. All the CEOs accepted that there is a level of tension inherent in the relationship, but most of the CEOs also stressed the enjoyment they derive from working with boards. In one or two cases, relationships were problematic with disagreements or a CEO not engaging with the board. In four out of nine core organisations there was more of a sense of "us and them" than in the others. Most difficult was the occasional falling out with individual board members, and/or personal attacks, or occasions when elected board members feel they want to go against a member of staff's professional judgment.
- Many of the relationships described in the research evolved. In most of these cases, the CEOs influenced or led changes in governance arrangements and experienced some stress in their relationships at this point, followed by a period of calm.
- Relationships with individual board members can be different from those with the board as a whole. CEOs reported very positive, sometimes inspiring, relationships with one individual board member when they were having difficulties with the board as a whole; and vice versa.
- All CEOs stressed the importance of board members understanding both the nature of their role and the critical success factors of their organisation. Induction, board retreats, board member job descriptions, training, trustee support [for example to disabled trustees and all-around appraisal and self review,] all seemed to make for, though they did not in any way guarantee, positive relationships.
- In the case of all but the smallest organisations, the CEOs play the role sometimes of go-between or mediator between staff members, particularly members of the senior management team and the chair and trustees. The importance of feeling confident that any board member can approach any senior member of staff to get information and advice without this disrupting formal procedures or compromising responsibilities were seen as important but also needing care.
- The experiences of these CEOs underlined the well-established importance of the relationship between the CEO and the Board chair specifically.

- ✓ Personal chemistry is predictably critical. Changes of chair could mean a complete change of personal style that had to be accommodated on both sides of the CEO/Chair relationship.
 - ✓ Identifying and agreeing an appropriate division of labor is critical. A relatively active chair that works with a membership and/or board members can leave the CEO more time to run other aspects of the organisation, although most CEOs emphasised the importance of keeping in touch with the board and other stakeholders.
 - ✓ Also predictably important are communication routines. Most of the CEOs had regular meetings or communication sessions with their chairs planned well in advance whether these were frequent or not. And telephone calls and e-mails filled in the gaps.
 - ✓ CEOs reported a high degree of interdependence, particularly in the voluntary organisations studied, although in statutory organisations too there could clearly be a strong level of dependence of the chair on the chief executive.
 - ✓ Most CEOs highlighted critical points in their relationship with their chairs. These might be their appointment, the first meeting, the resolution of a difficulty that emerged in the relationship or a breakdown of the relationship. These determined how the relationship played out thereafter. Particularly important were changes of chair, experienced by more than half of this group.
- A critical issue is that of who leads. In statutory settings, the rules are very clear and the CEO has limited ability to affect specific board decisions and virtually no influence over governance arrangements. Nevertheless, because members of the board are non-executive, the CEO's influence is still significant. For volunteer organisations also, technically the board is in charge. In practice however the CEOs have very significant influence:
- ✓ They tended to be heavily involved in agenda setting for board meetings.
 - ✓ Many of them had initiated significant changes in governance arrangements [for example the size of the board, and committee structures.]
 - ✓ Several CEOs in elective organisations were clear that it is legitimate, and even a duty on the CEO, to ensure that the democratic processes work in the organisations favor.
 - ✓ Even where arrangements are highly structured and the board clearly does oversee and call to account the chief executive, many board members will still look to the chief executive for direction and a sense of the mission of the organisation.
 - ✓ In many it was the CEO who led the board to adopt formal monitoring and review of the organisation's progress in order to hold the CEO to account.

Selected Quotations

“Sometimes it does feel like I spend a lot of time managing the trustees and doing their job and doing the job of the chair but that I think is because we haven't had a chair that feels able to manage the trustees effectively which is quite interesting.”

“I think it's also about having respect for the Board of Trustees. I thinksometimes we can get into this business of demeaning their contribution to the organisation. And, I just think whilst there's an issue sometimes about the Trustees understanding of how the organisation works, that's our failing not theirs... so it's about valuing their time, about trying to make their contribution meaningful both for them on a personal level and organisationally, and about trying to harness some of those skills..... I am just very conscious of the fact that if I were to put myself in their place... They've all got families, they've got their children, they've all got full-time jobs. I don't know how they do what they do and find the time for it. So I value that. I think it's really important that as a senior management team, although we might moan sometimes, overall they bring that passion for the development of the organisation, even if most of the ideas for the development have come from me and from the senior management team, but they keep it on track, remind us what we're here for.”

“The actual decision processes in my authority don't really involve me at all. The formal decision process, full Council meetings and cabinet meetings....are set pieces, and I am required to be there and be seen but I don't ever speak, or very, very seldom. The more frequent cabinet meetings are... one party, there is no process, it is them.... making public statements, [and] it is broadly not contested, so at that level I have no involvement”

*“I have a **great** relationship with the Chair. Fantastic, but it didn't start off that way. I'm not sure the Trustees knew exactly what they were letting themselves in for and I wasn't given a mandate for change..... the Chair was really worried about all these changes to start with.....So I think my first two years here was a complete baptism of fire.... But despite all that, after that had all happened and all of this started to show fruit and was successful, then I had the complete and total backing of the Trustees. Now they've gone to such an extent, probably they don't check enough what we are doing.”*

“Within these democratic organisations, very, very different to the Local Government system because although formally it is not our responsibility as Chief Executive to manage the democracy, anybody will tell us that it is our duty to do so, for the good of the organisation and it is one of those sort of things that you can't put it -- it is very difficult to explicitly put it in the job description and it has to happen and it has to be.”

“I found it obviously hugely stressful to have a dysfunctional and divisive board andChairman and actually Board members who dipped in and out of the operation... in a totally arbitrary way”

“the relationship between the trustees and the organisation.... is not primarily managed by me in our organisation. It is managed by a senior manager in our department, so I don't actually directly manage the relationship with the trustees, she manages the relationship with the trustees..... She is called trustee relationships corporate governance and they only come to me if there are things that aren't resolvable between her and them and that is very, very rare....”

*“...What I like, and it can be painful sometimes, is [the strong board] puts a check on me, because sometimes I do just run away with things. Because you're running something, and I have to be honest about this, I **like** running something, you get a bit of an ego rush. [For example, recently] a project that I had very strong associations with closed, and to me it was an appalling decision and I wrote a furious letter to this organisation,.. on behalf of the Regional Youth Work Unit. And I got a response from this organisation, rightly furious, to me and to the board, and I got the chair of my board out of a board meeting saying, what have you been doing? And I said, hands up,I let my emotions run away with myself ...And my board rightly slapped me on the wrists. Three years ago, it [would] never have even got discussed properly, but because they formed much more as an entity,....as a board they took a decision, which was, 'you have overstepped the mark, we're going to rein you in now'.”*

".....it was completely inappropriate for me to get involved in choosing the charity chair, but organisation was on its knees and I was on my knees as well."

“Most of the relationships are with my chair – that's a fabulous, positive relationship. Having said that, it's not one that either of us give a lot of time to. It's a very natural affinity. We're together, and we click, and the chemistry's right. Neither of us have to work at it. I suspect we haven't really exploited the full potential of it.....This chair is lovely, but I do wonder if the last chair actually wasn't better for the organisation. He was a lot more challenging.”

*“And regardless of how many times previously [the trustees] have had, how many pieces of paper, they will still get a wobbly. And... keeping my senior team calm when they get furious because there's been yet [another] change to something that they thought was decided....and getting the right level of pitch of their [the Trustees'] involvement... I think is **really** hard. And to be fair, they [the trustees] are the guardians of the strategy, the organisation. They aren't the people who are going to be able to develop it, but they can refine it and it's their responsibility to do that, which is why I am a little more equable about it than my colleagues because I think it is right and proper. In some way we really ought to be more worried if they were just nodding things through to be honest..... In the end, strategic direction has to be their responsibility. Clearly we can advise them and help them and nurture them towards it, but they've got to own it and that's quite a tricky balance. There's this whole thing about – with any group – how far do you go with what you say explicitly, with how much you allow [them] to draw out collectively. It's... it's an art form, I think.”*

LEARNING IN THE JOB

All the chief executives involved in this project described, implicitly or explicitly, ways in which they learned and developed in their role as chief executive. Before summarising how these chief executives learned, however, it is worth emphasising that many also insisted on the importance of relying on their previous experience and in particular on instinct and intuition when they first arrived in the chief executive roles which they occupied during this research. Indeed, some of them made the point that a CEO's boldest, and sometimes best, decisions may be made when she first arrives in post and in particular during the "honeymoon" period that many CEOs (though not all in this sample) experience. Several chief executives said that if they had known what they discovered later about their organisations, they would not have made some of the major changes that they did in the first few months of their tenure.

The main points that these CEOs made about learning in the job are as follows:

- Mistakes happen, and it is important to accept this. Some of the chief executives involved in the project had been in place for some years and had had the experience of recognizing that something that they did or changed had not worked and set about fixing this. Several described how they had to test different ways of making changes they wanted before they actually achieved these. Acknowledging a mistake to others as well as oneself proved helpful.
- Learning often arises from taking risks and doing things the CEO (and often many of those around them) are not sure the organisation can do. Initial decisions, like the ones the CEOs have to make when they first arrive in organisations because they are the only people that take them, often involve taking such risks. Most of the CEOs involved in this project found it useful to reflect and apply the learning in subsequent decisions. However, one particular CEO in this group said that his personal style was to get on and deal with the next thing rather than dwelling on previous decisions however they were made.
- Learning also arises, of course, from listening to others in the organisation and in particular those with very different perspectives. This allows a CEO to reframe how they see the organisation and its capabilities. A challenging board can provide this different perspective; some CEOs asked very direct questions of people in the organisation about what it is they could do more of or less of; others used 360° appraisals and staff surveys.
- Some of these CEOs placed an emphasis on a learning curve. In particular people identified a "blotting paper" phase that might last a few months or possibly a couple of years. During this period people would work very intensively on all aspects of the job after which they were able to settle into more of a "routine" though in some cases a CEO would instead move on to the next wave of change. One CEO mentioned that when she first arrived in a charity she found herself doing a lot of checking of other people's work, but after a couple of years did very little such checking at all.
- The importance of the right attitude to work seemed to be an important determinant of learning. These CEOs placed an emphasis on the inevitability that

things will go wrong; on seeing mistakes and events beyond one's control as an opportunity to turn things around; on the importance of putting things that go wrong to one side once they have occurred.

- All these CEOs demonstrated a confidence in their ability to learn something about which they initially knew nothing.
- Common to all participants in this project was a tendency to use external people and their experience as a way of supplementing their own knowledge and attitudes. Mentors, formal networking systems and trade associations (like ACEVO, the UK membership organisation for voluntary organisation CEOs,) were all helpful. CEOs would use these external supports to get information but mainly to test out ideas that they had or solutions they were proposing within their organisations. They never used them to make the decisions for them.
- One challenge described in learning as a CEO concerned changing one's mind. One CEO in particular had staff turn against him and leave because he had changed his view on a particularly important matter. Some emphasised the need to be seen to be decisive and not be seen to be asking advice from one's own staff or showing them one's anxieties.
- The kinds of lessons learned were very wide-ranging.
 - How to restructure, based on an initial failure;
 - how to select better people, after finding that original appointments had not worked;
 - the need to balance decision-making by the CEO individually with collective decision-making (for example by a senior team;)
 - the need for secrecy and speed in mergers or collaborations with other charities;
 - how long it takes to change an organisation's culture;
 - never to assume anything and to be careful about where one places one's trust;
 - how to choose the right battles to fight;
 - the effects of praise on people in one's organisation;
 - that it is important to let go after being very hands-on for many years;
 - recognizing that it is not possible for a chief executive to be an expert in everything, and that this is not a problem;
 - having a balance in a chief executive's time between internal navel gazing and external 'scanning' and influencing;
 - the importance of process in making changes in people or structure, and how difficult this can be;
 - when to do explicit planning, rather than keeping ideas and plans in one's head;
 - the limits of collaboration with other nonprofits.

One observation on the part of the researchers is that one area in which chief executives consistently found it difficult to change the way they worked the next time round was in making people redundant or firing people who are not

performing. All acknowledged that this was always difficult however hard one tried to get it right. A principal reason for this was a real concern for the people affected which often leads to an approach which in retrospect prolonged the agony.

Selected Quotations

“... if you can accurately log the fact the environment’s changed and the response should be different, then you as an individual will become a different person, because of the different environment in which you’re being yourself...”

“One thing Chief Executives don't like doing is accepting they made a mistake and have to redo something a second time.”

“I think there are people who come into your life organisationally that make you see that you have to become, you have to come alive, you have to think differently.... around 1999 we had a trustee whomade me see is that as an organisation we were on that cusp and we could actually stay where we were and die or actually we could start to think differently and move on to another phase, and he encouraged us to take risks because we were very risk averse, we thought we were taking risks but actually we weren't and he encouraged us to take our first big contract.....which doubled our income from 100,000 to 200,000 and staff all at the same time and was probably one of the most scary moments but I think also one of the moments that actually puts you in touch with your feelings and your senses and I suppose continues to remind me of why we do what we do.”

“I now know I’ve got a very distinctive pattern which is that for the first two or three years – two years usually – in a job I kind of work all hours God sends and build up huge amounts of credit and reputation and the rest of it. And then I kind of ease off for the next three and get a better balance.”

I ...really valued the support I got from key people within ACEVO at that time, knowing that I could put to people in confidence and just bounce things off and know that what I was trying to do all seemed to make sense. I was just starting to wonder whether if you were wrong and everybody else is right.....”

“I’ve learnt it’s something I’m not very good at, but I have learnt enormously how much people value praise really. I’m a very busy person so I tend to not stop and say well done. And actually people crave that more than anything else really. And it’s actually quite hard to do. I think we forget how hard it is to do. So I spend quite a lot of time... I have a ...it’s not a ... I’m not a very organised person in a way, but probably once a week I’ll probably at some point think: ‘Have I said enough to people about what they’ve done well...And I think that gets appreciated really.’”

“I think when you have the overwhelming first period, when you’re in that kind of blotting paper mode and absorbing; and also, at the same time as absorbing, making

some pretty crucial judgements about what you're going to do because people expect you to start doing things soonish. And, in any case, I think you could make some of your boldest decisions at the beginning because you have the support to do them, the expectation you're going to do them, and some of them are things that, if you knew everything, you wouldn't dare do them, so just get on with it. ..."

"I have gone off and done some things that I shouldn't have had any confidence that I could do it, but I just believed I could, and that's actually half the success in doing it, because other people have to believe you can do it or you're never going to be able to do it..."

"And sometimes, I think, my God, if I'd realised how huge it was, maybe I would have been too scared to do it."

"I am a real opportunist. I like to think I've got values and integrity. I love new ideas and new opportunity. I remember thinking, this could work. I do have that ability to move on very, very quickly.....But the bad side to that is, I don't want to learn from the past. I just somehow want to put it in a box and put a lid on it and nail it on really tight. If I open up, God knows what's going to come out, this stuff that I don't like. So let's just leave it all nicely nailed down."

THE INDIVIDUAL AND THE JOB

This heading is the "loosest" of those used in this analysis to categorise the different aspects of the life of a chief executive in a voluntary organisation. In the final publication there may well emerge more than one chapter heading to cover what is included here. This comprises how people keep a balance between their personal lives and their work; how individuals see their job; how they think consciously about the role of chief executive; how they experience the relationship between themselves as individuals and the role they inhabit; how their personalities and individual styles influence their style as CEOs; and how their personal upbringing or particular influences affect the way they do their job. The main points of analysis are these.

- All these chief executives see life as a CEO as life in a goldfish bowl. One interviewee described graphically how every single move he makes can be observed and interpreted by people inside and outside the nonprofit, for good or for ill. This applies whether the organisation is small or large, well-known or not. A goldfish bowl effect has two implications. A chief executive has to be careful that their behavior in the role and outside it does not compromise his ability to be effective; and for people running larger, particularly household name organisations maintaining a private life can become a challenge.
- Notwithstanding this, all these CEOs loved the role. This affection was obviously rooted in part in commitment to their organisation and its cause. But the role itself was seen as hugely attractive: the CEOs were acutely aware of the power bestowed by the role, however circumscribed sometimes by political

- arrangements or other constraints; the ability to have real influence in fields about which they care deeply creates extraordinarily high levels of job satisfaction; the variety of the work, the power to choose whether to intervene or not and the extensive opportunities for external activity and influence all, in the eyes of the participants in this project, make the role radically different from other senior managerial posts. This did not necessarily mean that they were umbilically attached to the job. Several were very clear they had extensive hinterlands that would make it relatively easy to have a fulfilling existence away from the job. Several also explained that they had not been seeking the particular job they were doing but had come across it almost by accident. However, the length of time that people who left the roles in which we found them when this project started took to adjust suggest that the chief executive's job is a difficult one to follow.
- Most participants in the project acknowledged the influence of their upbringing or of some particular experience in their choice of organisation, if not of a chief executive role. These experiences included those in the family for example having a parent who is active in local charities; being someone with a perceived disadvantage in a "mainstream" setting and having to 'sink or swim;' early exposure to injustice and/or very poor services; early experiences of "leadership" - all participants in this group held positions of authority in their school.
 - These experiences of course provided some of the motivation for these individuals to choose public service or to make a commitment to the voluntary sector. Most were motivated by outrage at social injustice or discrimination and/or personal experience of this. In the context of the "goldfish bowl" the strength of these kinds of motivation cannot be overstated: these CEOs were aware that their personal credibility and therefore their ability to effect change in an organisation or outside it were at least partly rooted in a natural "alignment" between their own personal values and those of the organisation.
 - But these CEOs also enjoy the type of work with which they have engaged both before and during their time as CEOs – they are motivated by the kind of work they do as well as the cause to which they are committed. One talked about "a slice of my heart" being left with a job from which she had moved on in order to take up a chief executive post.
 - By far the most powerful form of reinforcement of these motivations is results. Although the number of occasions on which specific and significant changes in the external world that can be tracked back to the efforts of individuals is not large, especially in large organisations, when this did happen the effect on the chief executive was very powerful and most participants in the project experience a general feeling that they make an important difference.
 - One of the ways in which a CEO maintains motivation is selecting work that, as one participant described it, keeps him feeling "buzzy," and in touch with his feelings about the importance of what he and his organisation does. Several participants felt it important that they find a use for what they considered their own personal unique knowledge or expertise [aside from their skill and being a chief executive.] Such expertise includes public policy knowledge, teaching expertise, a particular way of "framing" the world in which the charity operates. Such work also keeps the CEOs in larger organisations in touch with what is

going on at the "front line." Also important is the sense of being "hands-on." As is made clear in "MAKING THINGS HAPPEN," all these CEOs enjoyed direct involvement, and "rescuing" situations.

- Several CEOs discuss the ways in which their own personal styles and likes and dislikes influenced the way they work as CEOs. These included the operational bias just discussed - the sense on the part of an individual CEO that she felt most "alive" when doing hands-on work. But there were also specific examples of an individual's personal approach to life influencing the way they did their job very directly. One example is that of someone who believed in the idea of "mutant genes," off-the-wall ideas that can bring about positive change. Following through on this idea led to a relatively junior person in an organisation being allowed to develop a whole project that enabled him to pursue his passion and the organisation to benefit its community significantly.
- Some participants took this further and pointed to the sometimes inevitable influence of their personality on the way they conducted themselves in their work. One referred to his strong competitive streak that allowed a particularly successful defense of his charity's "territory." Intriguingly, almost all the members of the research 'core' group and many of the other participants described themselves at some point as nonconformist or rebellious, though it is not clear how this revealed itself in the way they did their work. Most also describe themselves as "not being a worrier."
- This leads on to the critical area of the balance between the individual and the work. There are a number of different dimensions to this:
 - ✓ Self-awareness. At certain points in discussions, people referred to themselves as if they were outsiders looking in at themselves in their role and at their organisations. Although rarely acknowledged, it was clear that one of the key aspects of being a CEO is on the one hand very close alignment between, for example, personal values and those of the organisation, and on the other hand the need to be separate enough to see where change is needed. What people did mention frequently was the loneliness of the position that is the consequence of this separateness.
 - ✓ Fundamentally important for these people is to "be themselves." Having a "hinterland" helps, as we've seen earlier in this section. Many reported on the importance of family and friends. As important is sticking to one's personal values - everyone was very specific about what these are and how important it is to behave in accordance with them in work and if necessary to use them as the basis for changes in the behaviour of others. In other words, at this point an individual's own person becomes the basis for a potentially profound change in his or her organisation.
 - ✓ A specific means of preserving a sense of perspective as a CEO that is exploited by these CEOs is taking on a number of external roles. These often take the form of advisory positions, usually with charities or on Government groups but sometimes carry executive responsibilities too.

One member of the group founded a charity. These roles are in addition to those external engagements that are a direct consequence of and/or contribution to, the organisation of which the individual is CEO. Although the organisation will benefit by association, the main beneficiary is the CEO whose horizons are broadened and networks extended.

- ✓ These CEOs represent the full range of ways in which people can protect their own time. Some work at home; some insist that they will only work during the week, protecting weekends and holidays as sacrosanct; others use particular coping mechanisms such as staying late until e-mails are at a manageable level or coming in early to clear the desk before other people take control of the CEO's day. Extremely important, though apparently mundane, is ensuring sufficiently professional and comprehensive administrative support. Several CEOs reported real challenges in preventing paperwork and the management of their diaries from becoming disruptive distractions.
 - ✓ These CEOs also represent the full range of ways in which people can look after their own physical and spiritual self. Staying in bed for the weekend, watching the cinema/theatre etc., building things, gardening, eating healthily, walks on the beach, swimming, or attending children's sports days, cycling to work and working out in the gym were just a few of the ways in which physical robustness was maintained. Some of the participants were particularly insistent that there is simply no substitute for physical and emotional strength if a person is to succeed as a CEO.
 - ✓ Although two participants specifically said that they were not good at seeking help from others, most made extensive use of mentors, coaches, informal networks, friends, or trade associations such as ACEVO. As already noted, CEOs use these as sounding boards. But at the same time they are able to talk about things that would be difficult to discuss with their colleagues or board members and are able therefore to keep what they see as the necessary distance between themselves and their organisation.
- None of these CEOs specifically sets aside time to think about their role as chief executive in their organisations. All of them are opportunistic in their thinking, using whatever occasions present themselves, be they conferences, journeys, walks, swims, the shower, or cycling to work. As we have seen, more structured are the discussions that they have with people outside their organisation.

Selected Quotations

"We ought to be odd, we have to be odd to do what we do."

"I think the reason I ended up....doing....., was..... that my mother was a great organizer, running the Gateway Club. Say, I think I was about 12, she had me involved

helping to run these things and it seemed like the natural way of life. I went off and I was a community service volunteer in what we now call a gap year.... I went off and I worked in this appalling approved school in Glasgow, and was absolutely dreadful and run by sadistic thugs.... I think that's what's turned me into being a reformer..... I thought places like this needed changing... ”

“I didn't really want to be a Chief Executive, it wasn't on my career path I just wanted a good reason to stay in [that location] and given I had been 6 and a half years in my previous job [there,] this came up and I couldn't say no, I am not risk tolerant, I am actually risk seeking and saying no isn't my strength, so I did it temporarily, and I rather liked it...”

“...it was my son who gave me the advert for [this job], I didn't find it.”

“I can quite easily forget the power. I don't really ever forget the authority or the accountability of the role, particularly as I have kind of in one sense been head girl for so long, you know, in different organisations. But I do actually forget the effect of the power...”

“...that huge burden that you carry of concern, even if not positive worry about our organisations and I hear people that have exited, if you can handle it it is a liberation because you are leaving a whole weight of anxiety behind and transitioning in a way that it feels like a liberation rather than a bereavement.”

“....one of the biggest stresses of this job is that every move I make inside, or while I'm outside, is visible. That's a huge personal constraint.....Because I'm a visible person wherever I go. Certainly the minute anyone knows my name.... it's just terrifying how fast you can lose your personal opportunities for a private life. ... there are times when you get away with it but not for very long. You always find somebody who knows who you are or has heard of you. It's just really, really difficult.....People watch what you wear, they watch the way you behave.”

“..it's ... driven by the other thing an affinity for play and being prepared to, you know, try... push something just to see what happens and enjoy it and balance and see if you overbalance. It's experimentation with things which is not only going to push you into places where you might not have expected you were going but it also is good for the spirit because you are not accepting everything as a fix and a given. I like skiing because I like being on the edge and just seeing what's going to happen... it's something about on the one hand I want to be in control, on the other hand I don't want to be totally in control. ... there's a lot of me that I want to permeate the organisation. Now that's what leadership is about. It's something you're doing as the leader which is going to change the way people want to behave.”

“... you go from the kind of big picture stuff, the strategic detail, down to the small but very important things. And I think that thing about (inner life) is one of the things that chief executives grapple with. You should be at the top of the organisation. You should

be gazing into the future all the time....but in practical terms, you do that and then you deal with, you know, the receptionist turned up today, kind of thing...not that I do, but it does feel like that sometimes.”

“I do think a lot.....but it’s on going and it’s opportunistic.....And the place where you often think the most is when you are sitting in conferences.....And [I write] parallel notes to myself.....And maybe it’s when you have conversations with people it forces you to think.”

“[My motivation is] “about individuals, about the right of individuals to have rights and to have... for justice to apply to their lives, opportunities and lack of oppression....I suppose nowadays we would talk about social inclusion. But it’s those sorts of things.”

“I’ve got a habit of taking on very, very difficult jobs, getting them really quite... almost to the point where the benefit starts to come and I often walk away from them ... I’m getting older so I think probably I’m less inclined to do that now. But I’m one of these people that really likes those sorts of mega challenges really.”

“What I think makes you really buzz.... are moments when you are walking through the job when things happen that sort of connect... aliveness, ...it is the personal story, it is when people tell me their lives have been changed in a way for the better. That is for me incredibly important. All this management speak, marketing, it is very interesting and restructuring and supervising and finding money but actually at the end of the day for me what really makes a difference is that somebody out there this day or tomorrow or the next day in life is somehow better than she was before I started and I contribute to that and that for me is what it is about...”

“I mean people talk a lot about management style , don’t they? I think actually a lot of it has been a load of rubbish.... I think your management style tends to be what you are as a person. Well actually I am very, very fixed on what I think is right and wrong. I have a very high value in terms of integrity and honesty and dealing with people honestly. I mean that’s a personal value that I just bring into work, but it is huge for me. I mean I could never lie to anyone. I might not tell them the truth, but I couldn’t actually blatantly lie.”

“... I’ll very often take work home but then I get in an hour early on Mondays hating myself, hating the job, hating... I am quite proud of being able to defend my Saturdays and Sundays. And very often I am just a vegetable Saturdays and Sundays and I just sit there, I don’t watch television, I just sit there. I suppose some of it is about digesting what’s gone on during the week.”

“I do quite a lot of work when everybody else has gone home because one of my coping mechanisms is to try not to have a mountain of e-mails that need dealing with. Therefore I try to get down to no more than 20, all read, but 20 that still need to be dealt with when I go home. I spectacularly fail.So my coping mechanism is to basically stay here until – certainly on a Friday night – until I’ve got down to a tolerable level.”

“I’m not very good at going for help, I’m aware of that. And I haven’t had great success with that sort of external support role.... actually I am quite reliant on my wife..... I’m fairly concrete and directive whereas she’s much more of a sort of a process oriented person and more into people’s feelings... in the context of our breakfast table conversations she’s someone that I will very often talk things through with and let her know if I’m having difficulty.”

“...and there are times you do feel completely worn out and that is a very difficult discussion to have with anybody internally. It is not one I think one can have easily with one's chair, nor is it appropriate to have it with anybody within the organisation because actually if you are shattered and worn out, it is just tough, you have got to find a way of finding other resources outside the organisation where you get that energy back again and I think that is probably where the hinterland and where the external resources are very important to have... to draw on because I don't think it is appropriate to get it from within.”

“I’m generally not a worrier, so... I mean there’s certainly times when I haven’t slept at night, but they’ve been quite few and far between. But I think it’s just having an overwhelming sense of.... this is the end point and we’ll get there and kind of deflect all the blows along the way.”

“I do my thinking in between things and I like to come and try it off on people and see how it feels.....if there’s a particular problem I would now just pick up the phone and ask somebody that I knew about it.”

“We had an interesting discussion...about impatience with people who are ill, although we try desperately not to be a workaholic.... the importance of emotional and physical resilience and also not needing affirmation because as a Chief Executive you do not, or very rarely get affirmation from those around you, you have to find it from within yourself.”

“So I kept being out of the office for nearly a week at a time, bar a day or two, and it just got to be a bit of a treadmill. It was really, really hard to keep up.....with what needs to be done. I got into my classic paper muddle because I wasn’t managing it. I just wasn’t having enough time to do it. And then the other side of it is keeping any kind of personal life....”

“For me it was essential because I felt I was being creative again and not just helping other people to develop something. I got over the guilt of saying, okay, I’m going to carve myself out a distinct project, I’ve negotiated with people beforehand, so they don’t feel I’m treading on their toes, but I’m actually going to see something at the end of the year. I’m going to go, I did that. First of all, I thought, well, that’s not being a CEO but, actually, it’s how I want to be a CEO which is I still want to feel my hands getting dirty on a certain bit of it.”

MAKING DECISIONS

The kinds of decisions CEOs make

This report has already identified decision-making as a principal way in which chief executives in nonprofits bring about changes that they desire in their organisations. One of the distinguishing features of being a chief executive is that, on the face of it, you can make decisions about anything within the organisation. A simple analysis of the experience of the chief executives confirms this. It reveals decisions about: the venue for an annual conference, reallocation of budgeted expenditure, the introduction of 360° appraisals, hiring and firing, the angle of the table in the chief executive's office, the public policy line to be taken by the charity, word for word approval of a strategic plan going out for consultation, the introduction of all company briefings, the content of the strategic plan etc. etc.

However, many of these decisions are constrained or complicated in the making by the governance arrangements of the nonprofit or its history, mission and structure. There are very significant differences in the amount of discretion that these chief executives have to make or influence significantly important decisions in their organisations. The research participants are acutely aware of these.

At one end of the spectrum is Milton Keynes Council, in which votes carry the mandate and the CEO's position is that of the public servant that carries out these mandated instructions on behalf of the elected members of the council. The influence of the paid staff has to be exercised in their discussions with their respective elected members, particularly those in the relatively recently introduced cabinet. Unlike chief executives in any private nonprofit, the chief executive in Milton Keynes, like his counterparts in other local authorities, has absolutely no discretion to change the political or decision-making arrangements within which he works.

This applies in large part also to University for Industry (Learn Direct,) though this agency is expected sometimes to behave as if it is a private organisation.

At the other end is a small private charity like the Black Health Agency in which the chief executive or leading staff member has had a significant part in creating the organisation in the first place. Although the board notionally oversees the work of the Chief Executive, the staff members and in particular the CEO has had considerable influence over board members who may simply want to help out as and when they can, and in fact have seen the CEO as a role model more than someone they feel confident to supervise.

In between, there is a wide array of organisational arrangements involving different types and numbers of stakeholders that the chief executive has to negotiate in order to effect some of the more important decisions in their nonprofit. In Scope, Mind, Citizens Advice, and, more recently, the National Deaf Children's Society, members of the organisation have a role in electing the board and sometimes have influence on decisions

in other ways as well [through annual general meetings, local fora or committees.] In the cases of the NSPCC and Crisis, trustees represent important constituencies, for example, donors, whose particular interests and needs have to be taken account of as decisions are made. In the case of all these nonprofits, major strategic changes as well as any changes that the CEO's wanted to make in formal governance arrangements required a degree of consultation and discussion. In many instances, these constraints were helpful: they reinforced the CEOs' desire to engage in this kind of stakeholder involvement, and to include staff too, to ensure ownership of decisions and effective implementation.

So, in the case of all of these organisations, decision-making procedures and frameworks can provide a helpful guide for a chief executive as she or he is trying to decide which is the best way to get approval for steps she wishes to take or resource allocations they wish to make. But they are generally flexible enough to allow room for judgment and negotiation.

These constraints do not affect the range of topics/areas about which most of these chief executives are able to make decisions. There are a number of categories into which the decisions discussed by members of the group can be placed.

Decision-making about decision-making bodies and structures

Chief executives commonly engage in work that refines, develops or changes significantly the ways in which decisions are made in their organisation; they make decisions about decision-making. The ability to do this provides them with a key point of leverage. In some cases this does not require systematic change. In small organisations in particular, critical changes can happen simply because of a decision to change management style particularly in the form of a move from a directive approach to a much higher degree of delegation. The CEO of one the smaller agencies in the core group had driven its growth by making most of the decisions and doing most of its work. He decided this was not sustainable any longer and simply began to unload information and responsibility onto others.

The Board of Trustees

The majority of these chief executives at some time or another during their tenure have instigated changes in the nature and/or composition of their organisation's board.

- Arthur and Rebecca initiated or were closely involved in changes in the nature and composition of the board, principally through changes in membership structure and/or election arrangements for the board, and developed improved forms of reporting to the board that enhanced its ability to make good decisions.
- Fenton and James were engaged in reviews of their boards that resulted in significant changes in composition and reductions in the numbers of board members.
- Amy introduced mechanisms that ensured that a majority of the board of her organisation would be service users.

- Frank at a given point in the history of his organisation was effectively chairing the board
- Alice, partly in response to a very urgent need, made the decision to go and find a new chair.

The Senior Management Team

All the research participants made significant changes [sometimes more than once] in the nature and composition of their team of direct reports.

- Sarah and James introduced new positions within their corporate teams and changed job descriptions and approach in order to achieve greater "corporateness;"
- Jessica instigated a rolling program of change through which old senior management roles evolved into new ones in response to an externally imposed requirement.
- Fenton reorganised his team with a view to managing by debate within the team in response to discovering that many strategic decisions were actually being made at a lower level.
- Rebecca made one particular change and introduced new posts in response to her organisation's growth and to a particular funding opportunity.
- Alice appointed a Chief Operating Office effectively as a deputy and four appeared of time opted out of the day-to-day running of the organisation and acted as an adviser only to the person in this post.
- Arthur made one of his two changes in the structure of his senior management team in order to increase clarity of accountability, aligning Director responsibilities with funding source.

Organisational structure

In some of these organisations, the chief executives have effected changes either in the board or in the makeup of the senior management team that coincided with more general structural changes. In effect, these structural changes usually involved reallocation of responsibilities for decision-making: changes are made either in people's principal job content [for example, the nature and extent of their service or geographical responsibilities] or their level of decision-making discretion.

- The most common change in organisational structure seems to concern the creation, modification or disbanding of, regional arrangements. Arthur, James and Rebecca all made significant changes in regional structure, often to accompany the changes in the composition of the senior leadership team and sometimes the board already described.
- A second reason for changing organisational structure is strategy: Alice introduced new sections of staffing in response to a critical change of focus in her organisation that entailed entirely new activities.

Decisions about strategy

This is the most obvious area of CEO competence – most people’s expectation is that CEO’s will be making the ‘big’ decisions about the strategic direction, and in many cases operations, in a voluntary, as in any organisation. Although the constraints on CEO action and decision-making identified at the beginning of this section apply to a degree to these kinds of decision too, particularly in larger organisations and those with a number of influential stakeholders, the research confirmed that the majority of these CEO’s had the final or at least a very significant say, in the major initiatives of their organisations. The principal exception is the local authority CEO, Sarah. These decisions would sometimes be directly implemented. In other cases they were first shared with other staff, particularly leadership teams, and in other cases again, they were put out for consultation and/or put to the board for a final decision.

- Fenton decided on a new approach to the principal funder of his organisation, linking this to a desired change in the approach of the head office to his nonprofit's affiliates; he decided that the organisation would buy people out of their current employment contract; he supported a re-brand of the national umbrella organisation and decided, early on in his tenure, to develop training for affiliates as a national rather than regionalised operation.
- Arthur decided that he wanted to see through a rewrite of the vision and mission of the organisation and significant changes in the allocation of resources to different priorities based on that vision and mission.
- Frank and Rebecca, CEO’s who have seen their organisations grow from very small to medium-sized nonprofits, until relatively recently have decided almost all the major strategic initiatives. Frank for example decided on a move into public patient involvement fora, a significant step away from the focus on a specific condition that was his organisation's original mission; Rebecca instigated major shifts, first into government contracting and secondly into international programmes.
- Sarah created streams of activity designed to emphasize to her organisation the importance of, and frame the organisation’s and the community’s thinking about, its most critical issue – growth. For example, a nationally renowned think tank was invited to undertake some work that stimulated long-term thinking.
- Jessica, early in her tenure, set one particularly strong focus for the organisation that related to the development of basic skills in members of priority groups.
- Amy required a complete change in the nature of her organisation’s fundraising cost base, then drove through a major change in the approach to the charity's local groups, and made a very significant decision to withdraw from a Government forum, a decision that had potentially very challenging consequences both personally and for the nonprofit.
- James also made major decisions about priorities for the organisations budget at various points; and he drove through a fundamental restructuring that dismantled its regional structure.
- Alice single-handedly drove their organisation to take on a major new project with the potential to become larger than the nonprofit itself; she also lay down for

her organisation a fundamentally different strategic direction - almost amounting to a change in mission.

Decisions about symbols, values and standards

Whatever their formal decision-making power, chief executives are in a very strong position to send signals that affect people's behaviour and the way they think about their cause and their organisation. These chief executives were very aware of this dimension of their position and took decisions accordingly. Conscious decisions seem to be most important in larger organisations in which direct contact between CEO and all staff is less likely.

- Sarah decided on a number of changes that signaled increased accessibility and more of an emphasis on creativity: setting the table at which the senior management team met at a slightly different angle and the liberal display of photos that suggested growth and creativity in the development of communities.
- Sarah, James, Fenton and Arthur, all working in large organisations, introduced the idea of direct communications from and to the Chief Executive in the form of an intranet or an e-mail newsletter direct from the chief executive to staff, who were encouraged to share concerns and ask questions.
- Jessica extended this idea and decided on regular whole company communications using Web-enabled interactive technology that embraced a number of different UK locations.
- Fenton and Amy made clear their specific objections to inappropriate types of behaviour, particularly offensive or aggressive behaviour.

Decisions to undertake work directly

These decisions are the most unpredictable. As this report makes clear in considering how CEOs "make things happen," CEOs in all sizes of organisation are keen to be directly involved in the work of the nonprofit. In some cases, the reason for a CEO's direct involvement is in fact reasonably clear. Most common is the need to cover for the vacant post of a director: all except Frank [who was closely involved in most activity anyway,] and Sarah reported having to do this at some point. Other decisions are much more idiosyncratic:

- Arthur decided, irrespective of the views of anybody else in his organisation, to join a government steering group that a more junior member of staff could have attended appropriately. Reasons included a wish to signal the steering group's issue as a priority for the organisation and a personal need to "get out of the office."
- Jessica made use of her specific professional skills to ensure appropriate development of programme materials.
- Fenton came to the rescue of an affiliate organisation, initially because of the crisis but personal enjoyment then played a part.

- James decided to lead on the strategic planning of a very specific priority, partly because other senior managers seemed to be involved in similar ways and partly because he felt he had a particular take on this that was useful.
- Sarah similarly decided to chair a community wide group considering a change of emphasis in community design that she considered particularly important for the future.
- Amy became directly involved in branding decisions, but also copywriting, in response to proposals that she felt were entirely inappropriate for the organisation and its service users.
- Alice in effect delegated day-to-day running of the charity to a chief operating officer to allow her to project manage a major new initiative that she was particularly passionate about.
- Rebecca initiated and stayed very directly involved in her organisation's international work.
- Frank experienced a reverse effect: having been directly involved in all or most of his organisation's frontline activities, the challenge for him was to decide which to withdraw from and delegate.

Decisions about other people's decisions

A key part of a chief executive's role represents the corollary of the delegation he or she practices: to decide whether or not to challenge the decisions or recommendations of others and, to use the phrase most commonly employed by members of this group, to "drill down" and test proposals, if necessary, to destruction. The dilemmas and tensions inherent in these decisions are illustrated in a dialogue that took place at the retreat that was part of the data gathering phase of this project, held in January 2005.

Rob Paton ... "How do you choose when to take things on trust and when to plunge down into detail? ..That issue seems to me to be really critical because at one level your time and attention is the scarce resource, okay, so how you use it is absolutely of the essence and, secondly, because it is actually an exercise of power..... "

Sarah "The more you focus on a particular pet area the more the danger is you lose focus on other things that are more strategic."

Alice "Sometimes[the problem is] about what it does to other staff, disempowering them sometimes, undermining them other times, letting them off the hook actually is one that I see over and over again where somebody else moves in to take charge of a situation, helps somebody out and the accountable manager or senior manager then gets away with the fact that they haven't been [able] to perform, to deliver."

Amy "Also as we plunge down into things we are good at, [that can] give a real distortion if we are not careful; there are things I like to do and things I just don't like to do. When you plunge down, you have to decide.....why you are doing it and sometimes I think it is about [what] I really like[doing,]..... but actually perhaps we should be

plunging down into some of the things we are not good at because actually they are more important...”.

*James “ You are unlikely to be challenged about being the best person to do it by the people who know that... ..The other point I was going to make is about a value that came from Shell, a leadership quality they call the helicopter quality which is this capacity to take in the big picture **and** to hone in and know where to land and drill down but I always add to that that my other two mantras around timing and pace about whatever you are doing, so it is when you do things and how fast you do them. I think that applies to the drilling down because you need to know when to drill down in the particular place and how fast and how far to drill down and when to get up and go again.. So it is not just the drilling down, it is the way you do it and it is choosing your target, it is the way you do it as well that matters.*

Sarah “It becomes a thoughtful intervention rather than a self indulgence.”

Amy “It is a pitfall and an opportunity. You do signal priorities by what you choose to do and people will say, oh... ..what is important about this then? Why is that important? If it is the Chief Executive doing it, it must be important; and that can be a good thing - you can actually use that to shift people's sense of what is important. But you can also leave people totally confused in that they may have a plan, they thought it was approved, but the Chief Executive seems to be doing something that is different.”

Rebecca. “ There is a point around self indulgence but it is also partly about where you come from in terms of your own background, so sometimes you may find yourself getting involved in areas where you have the expertise; but also sometimes it is in order to feel more in touch with what is going on at the coal face -- and that is a bit of a self indulgence, to make sure that it really is like that and that you have not got so divorced from the reality of the service provision.... But that has its down sides as well.”

How CEOs make decisions

These chief executives described decision-making in a variety of ways:

- Fenton described the importance of "immersion" in the detail of a topic about which he wants to make some contribution; weighing up the pros and cons, thinking as laterally as possible, and then applying intuition – knowledge or a "sense" based on experience. Appropriate simplification or "distillation" of the key points of the situation or problem can also be important.
- Frank described decision-making that is consistent with this approach but also said the in the real world there is an element of "flying by the seat of the pants."
- James also emphasised that however measured decision making is, CEOs often have to make these kinds of judgments "on [their] feet” and have to "switch [their] brain to the next thing.” He also has a "mantra" - never assume anything.
- Alice described a particular type of decision - not to intervene - to these reasons: too much to do and an unwillingness to undermine people; she also described

situations in which she had decided to become involved because she was flattered she was asked to do so.

- Jessica explored the notion of "good judgment." This included the proverbial ability to see the wood for the trees, but also the reverse - the ability to see when to dive down, perhaps in a crisis, and take the two or three specific actions required.
- Rebecca was concerned to focus on the importance of 'instinct' in making decisions. (See below.)
- Amy takes a contemplative approach and runs scenarios to help with decision-making. She sees herself as analytical in approach; she does not work to a game plan, and makes decisions on the basis of 'what is put in front of her.'

All participants reported using either senior colleagues, or people external to the organisation as sounding boards for decisions. This rarely means taking their advice. The preferred approach is to run through or rehearse the decisions that are at issue with these external people. The researchers also observed that, as would be expected, "instinct" and "judgment" are very closely linked to the level of understanding of these chief executives, of the environment in which a nonprofit works, and of the ways in which the charity in turn affects the environment; they are also related to the integration of the nonprofit's values and mission into each chief executive's way of seeing the world. The core group research participants were able to discuss decision-making at the retreat.

Sarah. One component of good judgments was that good judgments tended to be the result of hunch and visceral instinct and so towards the end we were trying to decide [in a smaller group discussion] where instinct came from, could it be acquired and does experience give better instincts so that the hunches are more likely to cover the ground? The other element of a good decision is one which is thought through and we talked a bit about assessing realistically the risk around decisions and what the consequences might be and in those instances you took a considered view about getting involved or not to get involved and if you got involved, that doesn't stop something falling over [going wrong.] Therefore something going wrong is not necessarily a bad judgment. It just could be that the risk by definition sometimes goes wrong. On the question of bad judgments, I certainly took the view that more often than not bad judgments are actually not enough judgment exercised and it is cutting corners or not doing the homework, not thinking what might be the repercussions and jumping to something that if you had given a bit of time to a bit of judgment, wouldn't then have fallen over.

James. There clearly are times when you make judgments on the hunch principle and then hindsight proves that you were wrong and with hindsight you can start to say there are things you could and should have done at the time.... but in fact it may be that making the judgment in that way at that time was the right thing to do; it's just that hindsight gives you a range of access to information you could never have had access to at the beginning.

Sarah. I think hindsight feeds back into the pot of experience which improves next time.

Rebecca. We had quite a discussion again about the business about instinct and about how in one particular case a bad judgment was made, an unsound judgment was made because the particular individual didn't listen to their niggles and their instinct but overrode it with rationalisation and other reasons. I wonder if this thing about instinct is to wrench it out and listen and unpick what it actually comprises and also is it not something to do with your thinking style and your way of internalising experience and knowledge and how that translates into action, because I have always found when I haven't listened to my instinct, things have gone wrong.Because instinct is such an unscientific way of working that it is much easier to find lots of reasons not to listen to it.....

Arthur. ... The case Rebecca is referring to was Fenton and it was interesting because when we asked him, okay, so what stopped you from listening to the instinct? There were actually quite a few pretty strong reasons. They included feeling optimistic in general, so actually things were okay, not wanting to completely shatter the member of staff who actually had taken a project so far, [the fact that it] was late in the process and actually saying no... a huge great apple cart with quite an intricate arrangement would have been upset.

Sarah. Reliance on instinct as a decision method I think raises issues. I work in a very institutional environment, many of you do as well. Some the accountabilities which may belong in the checks and balances bit are around to whom are we accountable subsequently. I am accountable to politicians. In other circumstances I am accountable to employment tribunals and other fora. If I go to employment tribunal and say, hey, I sacked this person because I felt like it – “I had an instinct [that] this is the wrong person” just doesn't work. You can't just dismiss the rational procedure and so how do we reconcile the role of the visceral instinct, which may be right and it may be slightly weird and spiritual, some life force. I think instinct is important but our institutional frameworks don't actually help us if we are institutionally accountable.

Rob Paton. I just want to say I think we are using the label instinct for something very complicated and as long as we acknowledge that is what we are doing as a shorthand I am quite comfortable with it but it is not actually in our genes, let us be clear.

Alice. I think maybe I was going to make the same point because I think there is a difference between what Sarah has just said and what Rebecca I think was getting at which is at what point do you recognise there is something in your gut which is a hunch of an instinct and really listen to it and apply some level, perhaps not the full analysis, the whole risk analysis with the traffic light system, et cetera, but something a bit less than that which is about pooling on your own experience and knowledge..... It feels to me like there is actually a difference between responding to something on instinct and applying a bit of judgment.

Rebecca. I think it is when decisions are very evenly balanced, when you do your score sheet and there are such clear pros and cons, opportunities and threats and so on and so forth, taking one course of action or another and that is when just stopping -- this is my

own very personal experience -- stopping and thinking what do you feel intrinsically is the way forward? That leads you, I think, when I have overridden that, [things have] often gone pear shaped and then I think, damn, if only I had paid more attention to what I was feeling.....

Amy. I think it was a very interesting session for me because in a sense we didn't go as far as I hoped we would but I think my perception of leaving that discussion was that we all agreed on elements of how we made decision making but actually we all had very different orders of how we made them...the differences were greater than the similarities.

Other Key Issues in Chief Executive Decision-making

Discussions with the research participants about decisions they made and how they made them highlighted a number of other issues or dimensions of decision-making.

- Just as the history, size, complexity and governance arrangements provide the context in which a chief executive has to make decisions in these various nonprofits, so also particular circumstances and events dictate their decision-making priorities. James has spent considerable time closely engaged with his organisation's public messages partly because of the high degree of sensitivity of the subject matter and the corresponding need to protect the nonprofit's reputation but also in response to specific high-profile events. James, Amy, Fenton and Arthur all found significant governance and structural issues that needed addressing when they first took up their posts. Arthur had to switch some attention from a major visioning exercise to cost control in response to a downturn in one source of revenue. Growth has focussed Rebecca's attention from time to time on structural and governance issues, and Frank on the need to delegate. External policy related opportunities or threats can attract a lot of a CEO's time and energy. Amy spent several weeks seeing through the consequences and reaping the rewards of a decision to resign from a government committee.
- A specific "informal" constraint is the nature and performance of the people with whom CEOs are working, particularly their direct reports in the senior management leadership team. Each CEO reported delays and diversions in and from the ideal course of events created by senior people leaving for other jobs, people having difficulty accepting change or people not performing as required, with the CEO having to make decisions about what to do in response to any of these eventualities. All CEOs also reported difficulties in the last of the three situations in which a senior staff member no longer fits or is not doing their job well. Without exception, in at least one instance, each CEO wished in retrospect that they have acted sooner or more firmly. However in all cases also, required procedures and particularly the CEO's wish to treat the individual concerned fairly created a delay. Although making decisions about people in all these circumstances is simply seen as part of the job, there is an obvious sense in which these preempt other decisions that would advance the cause of the nonprofit.

- Some of the CEOs in this group have ‘led from the front’ in the sense that they made or facilitated decisions that, however much consultation and involvement of stakeholders took place, created some real resistance, even if only to start with. Rebecca found people initially unhappy about the idea of the charity taking on a contract from government; Arthur encountered significant member resistance to a board decision to shift resources from an area that affected a particular group of members severely; Fenton decided to restructure a particular service for affiliates in the face of considerable opposition; Alice found her change in mission and strategic direction resisted vigorously by both staff and board members. All CEOs that took these steps, were aware that such opposition was possible; all were prepared to deal with this. There is also however an overwhelming sense from the interviews and discussions that the number of occasions on which this can be attempted by a given CEO is limited.
- Dealing with opposition involves a very strong focus on follow-through: one CEO, for example, had to keep correcting the alterations that some others in the organisation wanted to make to the strategic plan. Some CEO decisions, particularly those involving symbolic change, also require a follow-through whether they are resisted or not. Examples include Amy's insistence on a complete change of behaviour and attitude towards her organisation's local groups. This meant that she herself had to change her behaviour and change her daily schedule and priorities to convey the message that she was absolutely insistent on the new approach; and Sarah's focus on enabling creativity had to be exemplified, as it was by a project of the junior member of staff who was allowed to pursue his personal sporting passion as part of a small community development project.
- Although not discussed extensively, each of these chief executives talked about what happened when decisions made by them or the organisation go wrong.
- Arthur, Rebecca, Fenton, and Amy all reported one unexpected challenge concerning how people, especially their direct reports, perceive their decision-making. These direct reports were not always able, or said that they were not always able, to discern when the chief executive, as he or she discussed the subject, was making a decision, floating an idea or simply thinking aloud. These perceptions were inevitably influenced by the individuals' own wishes, either to be given more discretion than they felt they already had on the one hand, or on the other hand to be told exactly what to do. Nevertheless, the need to clarify in what mode the chief executive is operating during, for example, a senior leadership team meeting, proved important.
- Sometimes linked to this is the tension between a chief executive's wish to achieve some kind of consensus around a decision, particularly amongst direct reports, and the knowledge on everybody's part that in the end the chief executive has the right to decide. Arthur, Amy, Fenton, and Frank reported dilemmas of this kind.

Richard Brewster September 14, 2008

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