

# The Not-for-profit Chief Executive

*an insider view*

**Claire Elizabeth Szabó**

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# Abstract

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Running a not-for-profit (NFP) organisation is not a straight-forward task. The Chief Executive (CE) must deliver on promises to the Board and members, meet the needs of funders, coordinate with partner organisations, lead staff, and ensure that services to clients are effective. The NFP CE leads her organisation through a maze of separate, overlapping and occasionally colliding stakeholder interests. In this study, I investigate in theory and practice, the ways NFP CEs work within their distinct environment of specific accountabilities to negotiate a viable strategic direction for their organisations. I argue that navigating the accountability landscape is a key feature of NFP leadership. This thesis looks at the question: how do NFP CEs lead effectively? Sub-questions include: what is effective not-for-profit leadership, what are some of the frameworks employed by CEs to navigate their accountabilities, and how do CEs judge the success of their leadership?

I present an insider view, based on my own experience as a CE of an NFP organisation, English Language Partners New Zealand (ELPNZ). The thesis traces my research journey as I moved through cycles of theorising, data collection, and reflection. Starting with data from a pilot study, I present results of interviews with five local-level managers regarding their perceptions of accountability. There is notable variety in how the informants in the pilot study describe and rank their accountabilities. Rather than seeing this result as anomalous, I capitalise on differences and uncover multiple accountability conceptualisations. Utilising theoretical categorisations, I note where 'upward' accountabilities to funders compete with

‘downward’ accountabilities to clients or ‘lateral’ accountabilities to other sector organisations.

With the accountability landscape in mind, I review literature on NFP leadership. Scholarship on leadership has moved away from a focus on great leaders’ traits and towards transactional, situational and contextualised models. Borrowing from this evolution in the leadership literature, I posit that the various accountability ‘orientations’ uncovered in my pilot study could be considered as behaviours in context rather than personal traits; behaviours that may be adaptive within an environment of multiple accountabilities.

I employ both autoethnographic techniques and interviews with other CEs to unpack different ‘mindscapes’ behind NFP leadership in New Zealand. A series of research journals over a two-month period notes the leadership acts I had undertaken with others, my effectiveness, reflections, and learning. Further data were gathered through interviews with four CEs of national, government-funded, membership organisations.

The study contributes to both academic and practitioner enquiry. Findings included linkages between organisational accountabilities, and the mechanisms and processes CEs employ to lead their organisations. NFP CEs develop unique descriptions of the groups to whom they account and have individualised conceptualisations of a ranking or pattern. Mission leadership processes and organisational management (with associated hierarchies) simultaneously shape the CE’s role. CEs can be effective when they implement a conscious programme of leadership and practice deliberately situational approaches to accountability.

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Five local managers of English Language Partners centres provided wisdom and insight as interview subjects for the pilot study that preceded and shaped this thesis. See chapter three. Thanks also go to the four national CEs interviewed in chapter seven whose differing and richly informed views opened new ideas to me. Dr Katherine Szabó and Dr Grant Klinkum both read draft chapters and provided helpful input. Gratitude goes also to Nicola Sutton, Beth Gallego, Mervin Singham and Sally Latham for their generous mentoring over recent years, and to my personal assistant Arunesh Singh for her unfailing support.

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## Dedication

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To leaders – past, present and future – at English Language Partners New Zealand.

# Abbreviations

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ACE	Adult and Community Education
ANGOA	Association of Non Government Organisations Aotearoa
CE	Chief Executive
CEO	Chief Executive Officer
EAG	Ethnic Advisory Group
ELPNZ	English Language Partners New Zealand (name of the national body)
ELP	English Language Partners (name of each entity in the group, local or national)
ESOL	English for Speakers of Other Languages
ICNPO	International Classification of Non-Profit Organisations
KPIs	Key Performance Indicators
NFP	Not-for-profit
NGO	Non-government organisation
NZ	New Zealand
SNAP	Settlement National Action Plan
SOGI	Statement of Government Intentions
TEAC	Tertiary Education Advisory Commission
TEC	Tertiary Education Commission
TESOL	Teaching English to Speakers of Other Languages
TESOLANZ	Teachers of English to Speakers of Other Languages Aotearoa New Zealand

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# Chapter one: Introduction

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In 2006 I decided to write a Master's thesis in the field of organisational management. That same year, I was appointed Chief Executive<sup>1</sup> (CE) of English Language Partners New Zealand (ELPNZ). The road to writing the thesis has had many twists and turns and a couple of breaks along the way. The journey in all its diversity has allowed me to integrate my real and actual experience of leadership in the New Zealand not-for-profit sector into my study of the same.

With this thesis, I uncover concepts, behaviours and techniques used by a cohort of New Zealand not-for-profit (NFP) CEs to lead their organisations. I do this by creating and examining research journals on my own practice and by conducting interviews with four other New Zealand NFP leaders. The research contributes to both organisational leadership theory and practice. The varied conceptualisations of accountabilities and role I uncover are framed as a set of choices that NFP CEs have in approaching their leadership work. Some underpinning concepts are found to be more effective launch-pads for leadership processes than others.

I introduce the key components of the research in this chapter. Firstly I present the research questions. Following this, I discuss the concepts of leadership, accountability and the New Zealand not-for-profit sector, and how these topics relate to the role of the CE. This chapter also includes an outline of the structure of the thesis.

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<sup>1</sup> In line with common usage in the not-for-profit sector, the terms 'Chief Executive' (CE) and 'Chief Executive Officer' (CEO) are used interchangeably throughout the thesis. No difference in meaning is intended.

## **The research topic and questions**

Leadership and accountability are two topics fundamentally intertwined in the not-for-profit sector. CEOs of NFP organisations receiving public funding may be accountable to Boards, members, service recipients, government, other funders, supporter groups such as volunteers, and often to umbrella bodies and partner organisations (Cribb, 2005). Given the complex and competing manifestations of accountability (Christensen and Ebrahim, 2006), how do leaders negotiate a strategic direction for their organisations? How can NFP CEOs in New Zealand lead their organisations effectively? This is the central question of the thesis.

There are sub-questions in the research with implications for theory, for practice, for the NFP sector, and for my own work with ELPNZ. What are the specific leadership issues for the New Zealand not-for-profit sector? What is the relationship between accountability and leadership? What is effective not-for-profit leadership? What role do CEOs play in leadership processes and how do they understand their accountabilities? How can I advance my own work as the CE of ELPNZ?

## **The not-for-profit sector in theory and practice**

Not-for-profit (NFP) organisations are those that are private, organised, self-governing and non-compulsory in their membership or activities. Also, as the name suggests, they do not distribute profit (Sanders et al., 2008). In New Zealand, this encompasses 97,000 organisations of which some 10 percent employ staff (Statistics New Zealand, 2004). The sector has grown in size in recent decades as governments have taken to contracting out social and other services to NFP entities (Courtney, 2002).

Note that the thesis does not purport to relate to the whole NFP sector in New Zealand, which includes everything from sports clubs to walking groups to service providers to professional associations and others. The diversity and scale across 97,000 organisations is such that a Master's thesis cannot draw universally valid conclusions. The thesis will be most relevant when considering organisations with a similar profile to ELPNZ and the other four organisations in the interview cohort which have similar histories and parameters.

What are the characteristics of organisations in my study? English Language Partners New Zealand is a federation of 22 member organisations located throughout New Zealand. It belongs to the community education part of the not-for-profit sector and has a mission to provide English language skills and social support for the effective resettlement of adult migrants and refugees in Aotearoa New Zealand. ELPNZ has a 35-year history as a community provider and since 1995, has contracted with government to deliver language services to new migrants and refugees around the country. The four other organisations in the study also have national networks of member organisations, government contracts, services they deliver, and both paid staff and volunteers. Organisations with these features have similar accountabilities; a factor I argue shapes and defines the leadership landscape.

Manifestations of 'sector' experienced at ELPNZ include membership of umbrella bodies, alliances, forums and networks, as well as partnerships with other organisations.

Associations with other organisations are specific and purposeful. Relationships are based on overlapping client groups, interrelated deliverables, or shared goals regarding government policy for example. The sector as experienced in practice varies from the more general categorisations found in statistical reports or even government policy, where the term 'the not-for-profit sector' has currency (Gatenby, 2004). Conceptualisations of the

sector in government policy and funding decisions have impacted the role and environment of NFP groups, creating new accountability and leadership challenges for the NFP CE. A fuller discussion of ELPNZ, the sector and the policy environment is found in chapter two.

### **NFP accountability**

Studies on NFP accountability regimes have often arisen out of a public sector interest in how to ensure non-government organisations are sufficiently accountable for public money they receive (e.g. Campbell, 2002). Traditionally, how NFP agencies themselves conceive their suite of responsibilities has been “a largely unexplored question” (Cribb, 2005, p69). Some researchers have reacted by trying to describe an NFP perspective on accountability (e.g. Cribb, 2005; Kumar, 1997 in Cribb, 2005; Woodward and Marshall, 2002 in Cribb, 2005). These studies mainly sought a generalised non-government organisation (NGO) view of accountability, or a view comparable to the dominant government paradigm. They generally did not aim to uncover and compare different frameworks and models from within the sector with an objective to understand implications for NFP leadership.

As an insider and member of the cohort I am studying, I do not see a single NFP view amongst the colleagues I work with, but see and seek diversity of perspectives. I experience NFP leaders as having varied conceptions, paradigms and behaviours in leadership and accountability. Although not every approach is effective, a range of approaches can be. The academic basis for my viewpoint stems from an earlier study I undertook as a pilot prior to embarking on the thesis. I interviewed five leaders from the local level of English Language

Partners<sup>2</sup> (ELP) and asked the managers who they were accountable to, to rank their lists, and to explain what accountability activities they would increase or reduce if they had the choice. When listing and ranking their accountabilities, the five subjects produced three different primary accountability orientations: to language learners (3), to staff (1) and 'to myself' (1).

There are distinctions that local English Language Partners (ELP) leaders made when describing their accountabilities in the pilot. Moral obligations or "soft accountabilities" such as relationships with clients generally ranked higher in importance than "hard accountabilities" such as hierarchy or financial contracts (Cribb, 2005). Similarly, responsiveness "upward" to funders, "downward" to clients and "lateral" accountability to other providers, staff and volunteers manifested in differentiated ways (Christensen and Ebrahim, 2006). Conceptualisations varied across interview subjects in my pilot study. The data collection for these interviews predates the thesis, however new analysis and a range of literature have been amalgamated to create chapter three. Borrowing from performance measurement literature on "balanced" measures (Kaplan and Norton, 1992), I posit the idea of 'balanced accountability' for testing later in the research.

### **Leadership**

Central to the thesis is the question of effective leadership. Leadership itself is the centre of an enormous body of literature and has held general interest "since the emergence of civilisation" (Bratton et al., 2005, p4). Although popularly seen as a quality or trait of an

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<sup>2</sup> 'English Language Partners' (ELP) is the name of each local or national entity, followed by the placename. 'English Language Partners New Zealand' (ELPNZ) is the name of the national organisation specifically.



individual, empirical studies have found that “personality alone is a relatively poor correlate of leadership” (Hogg, 2001, p185). Scholarly definitions over time have come to embrace more sophisticated notions including transactions between leaders and followers, the influences of environment, and the power of social context (Jackson and Parry, 2008).

I define leadership in this thesis as the process whereby people in NFP organisations voluntarily initiate and support acts designed to progress their missions. Defining leadership as a process is a choice deliberately oppositional to the ideas of “ability” (Schein, 1992), “relationship” (Rost, 1993) or “product of transactions” (Bass, 1990, in Hogg, 2001); although these ideas may play into leadership processes. I argue that ‘intention’ and ‘context’ among other things are crucial parts of leadership and leadership effectiveness for NFP organisations. A full discussion is found in chapter four.

### ***Effective leadership and the not-for-profit sector***

Those aiming to understand leadership effectiveness in the NFP context have at their disposal a plethora of advice about using the mission (Thiagarajan, 2004), bringing business acumen (Bateson, 2008), balancing passion and operational detail (Bear and Fitzbibbon, 2005), hearing constituents over staff and volunteers (Wilcox, 2006), providing staff with integration between work and life goals (Smith Orr, 2004), and keeping funder expectations in check with clients’ needs (Cribb, 2005). A strong theme in academic literature is the balance between multiple competing interest groups and accountabilities.

### ***NFP leadership and accountability***

Scholarship has moved away from a personality traits-driven view of leadership to more sophisticated concepts of transaction, context and situation. I embark on this thesis with the

results of my pilot study in mind where the five leaders provided different accountability 'orientations' towards clients, staff and 'myself'. I pose the question, are leaders' accountability orientations static traits, or do they have behavioural, situational or contextual characteristics? Are there situational or behavioural approaches to NFP accountability that could enhance leadership effectiveness?

In the pilot study, I did not see the differing answers produced by respondents as an anomalous result (Tolich and Davidson, 1999). In the same way, I have capitalised on the diversity of NFP perspectives in this research and deliberately seek varied and effective approaches to NFP accountability: this time with national CEOs.

### **The research design**

The research involves cycles of action, reflection, data collection and analysis that mirrors my dual role as a practitioner and researcher. Note that the thesis has an atypical structure. Data collection for the pilot study occurred prior to this research but selections from these early data have been reanalysed and presented in the context of different literature in chapter three. For this research, I collect data on how some current CEOs, including myself, actually lead their organisations. Being interested in the underlying frameworks, ideas and values leaders use, I choose rich data collection methods of journal-keeping and interviewing. In the former, I provide a weekly offering of an example of leadership with description, critique and reflection. A large number of other groups and individuals make appearances in each entry. I analyse my accountabilities, how they overlap or compete, what role it is I am playing, and how leadership processes work. There is evidence in the

journals of my internal dialogue on measuring success and a continuous refinement of my own 'internal compass'.

I next broaden the view to four other national NFP CEOs. Interview candidates provide a description of their organisation and the sector they operate in. Each outlines their accountabilities, providing comment and ranking. CEOs choose an example of major organisational change from the last two years and describe in detail the leadership processes that were involved. The CEO role is discussed and informants tell me how they would explain the role to a successor.

My sample size of four CEOs plus my own research journals is too small to draw generalisable conclusions about the NFP sector. On the other hand, my insider perspective allows me to use both my existing knowledge of organisations as well as pre-existing relationships with interview subjects. This familiarity provides for a depth of exchange not possible for outsider researchers who lack a shared language and common sector culture (Patton, 2002).

Answers from CEOs are once again characterised by differences. Some of these can be linked to clear organisational distinctions and others seem to track neatly with the differing personal backgrounds of candidates. Many ideas however simply appear to be differing behaviours associated with distinct mental models and frameworks developed and employed by the various leaders in their organisational settings. It is these distinct models that I have used in chapter seven to create pictorial representations of possible CEO accountability and leadership conceptualisations.

## **Structure and voice**

The first half of the thesis is generally concerned with the academic literature and professional context of the research question. I provide background to my role and organisation as well as on the NFP sector and policy settings. I present NFP accountability literature. Following this is the results of a pilot study with local English Language Partners managers. Next I introduce leadership literature. The combination of these elements is designed to characterise the accountability context for NFP leadership in New Zealand.


In the second half of the thesis, I outline methodology, results, analysis and conclusions of two rounds of data collection: a set of autoethnographical research journals I kept and a series of interviews with other NFP CEOs. This allows me to make some additions to extant advice on effective NFP leadership, based on how a number of New Zealand NFP CEOs actually lead their organisations.

### ***Levels of the NFP sector and the thesis chapters***

Various thesis chapters focus on different levels of the NFP sector. Chapter three has a special window into the world of five managers of local English Language Partners (ELP) centres. Chapter six presents my research journals working as CEO of ELPNZ, which is the umbrella organisation of twenty-two ELP organisations. In Chapter seven, I interview four CEOs who are similarly leading national federations. Context chapter two and the concluding chapter eight traverse all three levels of NFP operations; local organisation, national organisation, and further sector organisations. For a diagram of the thesis structure, see table 1.1.

**Table 1.1** *Structure of the rest of the thesis*

Chapter:		2	3	4	5	6	7	8
Focus:		Context	Account-ability	Leader-ship	Method	Journals	Inter-views	Con-clusions
Level	Other national organisations							
	ELPNZ							
	Local ELP							

 Denotes main thrust of those chapters focused at particular levels, however discussion and definitions in these chapters may relate to the whole thesis

### ***Voice in the thesis***

Given the role I take in the thesis as both researcher and participant, I use first person throughout. Chapter two includes personal background and chapter six contains my research journals. To communicate my experiences more richly, I occasionally adopt an even more direct tone in these chapters.

### **Contribution of my study**

This research directly targets the New Zealand not-for-profit sector and leadership issues in the current environment. I argue the importance of accountability to the NFP leaders' landscape. Cribb, in her 2005 study of New Zealand NFP sector perspectives on accountability categorises the area as "largely unexplored" (Cribb, 2005, p69). Her study and other similar ones done in Australia and Britain, provide a not-for-profit perspective on

accountability driven largely by a desire to counterbalance dominating government views on NFP accountability. My study looks at NFP perspectives on accountability specifically to determine leadership effectiveness of various approaches and paradigms. I examine leadership literature with the specific NFP accountability context in mind and produce a definition of leadership for this sector. The thesis uncovers a range of ways that NFP CEOs in New Zealand think about and undertake their leadership roles, and I theorise about effectiveness based on these data. The study makes a contribution to not-for-profit leadership literature and to an academic understanding of NFP accountability. It also generates advice and options for NFP CEOs. I share insights for the case organisation ELPNZ, and learning for my role as its Chief Executive.

## Chapter two: The Research Context

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### Introduction

My research differs from something created by a full-time researcher studying the sector from a primarily external viewpoint. I am a full-time NGO Chief Executive and a part-time researcher addressing research questions of enduring importance to me as a participant in the field. My questions about not-for-profit leadership and accountability have been refined through professional experience within the organisation and sector I am studying, through reading academic literature, through my earlier pilot study, and through data I collected for this thesis. The embedded perspective and ‘insider’ (Patton, 2002) nature of the thesis represents both its distinctive value, and a level of complexity that requires disaggregating. Chapter two sets about this task.

The chapter maps out the context of the rest of the research. I start this process by providing relevant personal background. I trace aspects of my professional experience and describe some of the academic frameworks for my thinking, which are shaped by my previous studies. I then build up a picture of the organisational realities at English Language Partners New Zealand; a backdrop to much of the enquiry.

The next area covered is NFP sector context. My received wisdom about the sector has come both from actual interaction with partner organisations and umbrella agencies, and from the growing number of reports detailing and describing the sector in New Zealand. This section provides both a practitioner view of the sector based on a review of organisational documents, and the sector as discussed in statistical reports. In this third part

of the chapter, I generate a definition of the sector for the purposes of understanding the leadership and accountability issues in this thesis. I examine international literature on the sector as produced by US and UK writers and explore the New Zealand policy context shaping the leadership and accountability environment in which CEs operate.

### **My Life Context**

Because I am personally involved in the role and work being studied, I give the reader a chance in this section to understand my relationship with the research question, and the answers I have found.

In June 2006, at the age of 27 I became the Chief Executive of a non-government organisation with twenty-three New Zealand locations, 200 paid staff, 3,000 volunteers, 7,000 clients and a \$3M p.a. government contract. The promotion came thirteen months after my initial appointment in 2005 as a project coordinator in the organisation's national office. That appointment in turn had been preceded by work and study abroad.

### ***Prior to 2005***

I had migrated from New Zealand to Hungary and learnt Hungarian language as a 20 year old. The choice to migrate was inspired by my father's refugee journey from Hungary forty years earlier. While working in Budapest, I held roles including English teacher, instructional supervisor, and sales manager for a language school; and project developer for European Union education projects. This Hungarian experience of resettling, language learning, English teaching and management was originally conceived more as a personal endeavour than a career path. However, the combination of experiences was to become central to my entry into English Language Partners New Zealand, and to becoming its CEO.



I undertook a post-graduate diploma in Management in Education extramurally through Trinity College, Dublin while resident in Hungary. This established my academic and professional interest in adult education, and in professional and organisational development. By the time I arrived at ELPNZ, I had been introduced formally and informally, to concepts such as differing communication styles (e.g. Gundykunst, 1994), situational leadership (e.g. Hersey, 1985), cooperative learning (e.g. Johnson and Johnson, 1998) continuous improvement (e.g. Worthen, Sanders and Fitzpatrick 1997), strategic management tools (e.g. Kaplan and Norton, 1992), educational research (e.g. Cohen, Manion and Morrison, 2000), and reflective practice (e.g. Schön, 1983). In December 2004 aged 26, I moved back to New Zealand.

### **2005**

The year 2005 was formative for me, my work and this thesis. I took up the first full-time role I had held in New Zealand and enrolled in a paper at Victoria Management School, Wellington. Re-engagement with the New Zealand tertiary education system, as well as the repatriation process after 6 years of working overseas meant heightened awareness of issues specific to New Zealand.

I read Michael King's *History of New Zealand* (King, 2003) and hot off the press Patrick Sneddon's *Pākēhā and the Treaty* (Sneddon, 2005). Amidst the campaigning of the 2005 general election, the country was in the wake of then Leader of the Opposition Don Brash's infamous 'Orewa speech' where anti-Māori sentiment was used divisively for political gain (Watkins, 2009). I asked myself what mattered in political leadership, and whether there were moral aspects to accountability in public life.

I undertook a management paper which focused on research methods. The approaches it uncovered gave me an alternative lens through which to perceive organisational and sector challenges. The paper included a pilot study which I used as an opportunity to test an issue I had found hardest to understand as a new-comer to the not-for-profit sector: accountability. To whom are members of not-for-profit organisations accountable? There seemed to be several competing accountabilities. How do these take effect? And to what result?

Through literature and interviews with some key leaders in the organisation, I came to understand more about not-for-profit accountability. My focus at this stage was the managers of local English Language Partners centres. I uncovered some approaches that experienced managers used in leading their centres and in making decisions. I established the view that there were multiple legitimate ways to see accountability and leadership. This part of the picture is presented in the next chapter.

### ***June 2006***

As a newly-appointed CEO however, it was more than just a theoretical interest in leadership and accountability that was needed for me to do my job. I immediately drew on the lessons from my pilot study of accountability, as well as previous learnings from Hungary, to lead the organisation. And with the new context came new questions.

What was I doing to lead the organisation and how did I know it was successful? Who was I accountable to at the national level? Whose interests dominated when multiple accountabilities played out around me? Given my distance from the client group, how could

a moral accountability to refugees and migrants manifest in real terms and guide me as a leader?

I commenced the first set of data collection for the project by keeping a set of research journals on my thinking and actions. This is presented and analysed in chapter six.

### ***Over time***

Increasingly, as I found my feet in the role, my personal journey started to include a focus on how leaders of other similar organisations led effectively. Once again, I noticed variety in the approaches adopted. Interviews with four other sector CEOs presented in chapter seven reflect this part of the journey.

A range of academic, professional and societal influences shaped and reshaped my thinking over the period that I undertook this thesis. The further chapters in this thesis with their focus on the local organisation, then national organisation, then broader sector, mirror my own journey outlined above. As well as uncovering accountability and leadership models for NFP leaders and thinkers, this thesis tracks my own learning pathway; as a young CEO looking to provide accountable and effective leadership to her NFP organisation.

### **My organisational context: English Language Partners New Zealand**

The next part of this chapter takes a deeper look at the organisational context of the research. I paint a picture of an organisation whose identity and role in society have dramatically changed over recent decades. With the adaptations have come new challenges for leadership. I argue that the growing number and diversity of competing accountabilities the organisation must manage is central to these challenges.

I had never worked in the not-for-profit sector before my first appointment at English Language Partners New Zealand<sup>3</sup> (ELPNZ, the association, the organisation). I remember being struck early on by its cultural and attitudinal peculiarities that seemed to stem from its history and purpose. Given the way the thesis builds a picture of leadership and accountability outwards from this case organisation, I spend time in this section acquainting the reader with its social context and history. This is particularly relevant to chapter three focused on local sites, and chapter six looking at my role as national CEO. I draw on the range of published sources available on the organisation, but also on my knowledge of working for the organisation. The eight staff in the National Office comprise a key source of information. Six of them have worked in the Association as staff or volunteers (or both) for one-two decades, one joined last year and I have been involved for five years.

### ***Purpose and structure***

English Language Partners New Zealand exists to support the effective resettlement of adult migrants and refugees in Aotearoa New Zealand. To this end it has a mission to provide English language skills and social support (Matthews, 2006).

The organisation tracks its establishment back to the 1970s. In 1974 there were changes to immigration policy. Entry was to be based on “skills and qualifications, not ethnicity or national origin” (Phillips, 2006 in Matthews, 2006, p10). This had led to increased numbers of residents for whom English was not a first language. Inspired by ways of working brought back from the United Kingdom (Matthews, 2006), groups of volunteer tutors started

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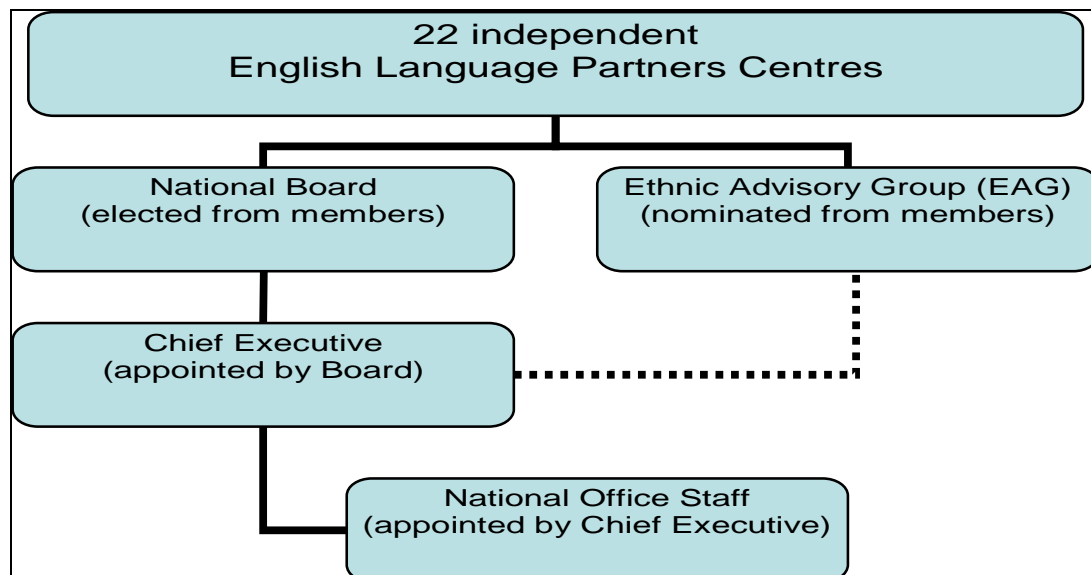
<sup>3</sup> The national organisation’s name changed in 2009 to ‘English Language Partners New Zealand’, but during much of the period discussed here, it operated under the banner ‘ESOL Home Tutors’ or its variants. For ease, I refer to it consistently by its current name.

providing services to such language learners in a few towns and cities throughout New Zealand. The establishment of one-to-one provision of English tuition, mainly to women with children in their own homes, was a programme particular to the organization known as 'The Home Tutor Service'.

Further liberalisations in immigration policy throughout the 80s and 90s diversified the groups of migrants and refugees from various non-English speaking countries arriving on shore (Spoonley and Crowley, 2009). More regions of New Zealand joined the volunteering movement to support these new-comers and eventually 'The National Association of ESOL Home Tutor Schemes Inc.' was established in April 1992 (Matthews, 2006).

Subsequently, a national office was established in 1995, the CEO role in 2000, and an Ethnic Advisory Group in 2001 (Delta Networks, 2005). See figure 2A for an organisational chart.

*Figure 2A English Language Partners New Zealand organisational chart*



The Association won a government contract in 1995 for a few hundred thousand dollars per year (National Association of ESOL Home Tutor Schemes (Inc.), 1995). It began setting up to

deliver a standardised home tutor service with funded coordinator roles around New Zealand from 1996. Government funding, volunteers and learner numbers all increased steadily until the end of the 1990s (National Association of ESOL Home Tutor Schemes (Inc.), 1995; 1996; 1997; 1998; 1999).

### ***Finances and activities***

With the government grant came financial accountability for the use of public funds. This spelt the need for aligned finance and reporting systems across the group of entities. In order to allocate funds to member organisations in a transparent manner, organisational records detail a funding formula which was discussed and agreed by members. Fund allocation also had the effect of creating comparable roles in different locations and necessitated performance standards to be set out and met. Further professionalization occurred at volunteer level. All volunteers now needed to complete a 60 hour certificate programme before commencing their unpaid work. Manuals were written for service delivery (Skyrme, 1995), service coordination (Skyrme, 1999) and later for governance (Malcolm, 2001). While there were challenges associated with the professionalization agenda, a strongly unified national identity was formed around the provision of high quality home tutor services. I believe the rise of this unified identity served to provide a platform conducive to national leadership across diverse local entities.

Populations of migrants continued to rise in the early 2000s. By now there was the addition of a major category called 'international student'. Partly in response to these students, and partly due to the continued waves of professionalization, the English teaching sector itself transformed (White, Watts and Trlin, 2001). Alongside the polytechnic, the school night class, and the community organisation, now stood the language school as an entity that

delivered English language. The clients of language schools, Home Tutor services and other teaching centres were generally distinct – however, their part-time teachers often were not. In the early 2000s, a few significant new streams of government funding were secured by the Association but now for activities using qualified, paid teachers rather than trained volunteers (National Association of ESOL Home Tutor Schemes (Inc.), 2000; 2001; 2002; 2004). The ‘industry standard’ had moved.

### ***Accountabilities***

These changes to structure, finance and activity all have implications for accountability. By the mid-2000s, ELPNZ reported to government against 7 separate funding streams in biannual financial and activity reports. It was answerable to its members at the Annual General Meeting through reports from the Chair, CEO and Treasurer. The CEO reported 6 times a year to a Board elected from the membership. Members reported quarterly to the National Office on their financial performance and progress against funded activities. An Ethnic Advisory Group, nominated from the membership, advised the CEO in quarterly meetings and this group was also represented on the Board. The Ethnic Advisors were put in place by the National Office to increase accountability at the national level towards the client group. In sum, formal regular reporting processes occurred between national staff, the CEO, centres, the Board, the funder and the client group.

### ***Leadership and Identity***

By the time I joined the organisation in early 2005, achievements were significant, particularly in terms of professionalising traditional services and setting up three new national programmes. Advocacy for the client group was also an area of accomplishment

(Bowl and Chandler, 2008). However, leadership and identity in the organisation were less clearly positive.

From a leadership perspective, the founding CEO of the National Association since 1992 had resigned in 2002 (Matthews, 2006). Between 2002 and my CEO appointment in 2006, there had been two permanently-appointed and three acting CEOs, with only one of those five staying longer than 12 months in the role.

In my view, ELPNZ was undergoing organisational identity issues. For the two and a half decades to 1999, identity had formed around a single, volunteer-based, in-home service for English learners. Over the space of 5 years, the Association had come to manage multiple funding streams, groups of paid teachers as well as volunteers, and a variety of activities. It met its mission by matching up its various resources with the needs of groups of English language learners. ELPNZ had enhanced its financial and administrative capability. It now needed to prioritise, strategise, market itself, manage paid staff legally and skilfully, and continue harnessing voluntary support (Szabó, 2009). However these tasks did not fit with the traditional way people had perceived their jobs. As a new-comer in the organisation, I noted a gap between out-dated rhetoric of previous years – mainly about training volunteers and working in the home – and the realities of the organisation in 2005.

Between the multiple changes in CEO and the questions of organisational positioning and direction, establishing new leadership was a clear priority for ELPNZ. I wondered whether the complexity of organisational accountabilities was part of the difficulty that CEOs had been facing when trying to set direction. One of my tasks as a National Office project coordinator was to support the CEO in writing key performance indicators to be used in our



funding agreement with government. These would then be used internally to form agreements between the National Association and its local members to monitor service delivery. The task raised concern for me about the nature of the accountability relationships within and beyond the organisation. It became symbolic in my mind of the competing demands that make leadership so difficult. I have often returned to this incident when considering leadership and accountability issues, and it has provided a benchmark for decision-making. This theme is developed in chapter three.

### ***ELPNZ in a sector***

Beyond its own membership structure, the Association is itself a member of a range of sector umbrella groups and had partner organisations at local and national level. The ability for English Language Partners New Zealand to develop English language skills and support resettlement of clients depends on the effectiveness of the work of health, housing, mental health, general education, information and other services for the same client group. Relationships within the sector also have an aspect of accountability in that the actions of one organisation impact on the results and reputation of others in the eyes of clients, the public and funders.

In the next section, the way in which ELPNZ works within 'sectors' and with partner organisations is explored. The information leads on to a discussion of the New Zealand not-for-profit sector in general. It aims to locate the organisation within its wider context and gives a definition of the not-for-profit sector to be used in the thesis.

### ***Membership***

There is no single sector, nor any particular partner that ELPNZ works with to achieve its

mission. Evidence for the multiplicity of sectors or sub-sectors is the memberships ELPNZ holds of umbrella groups and alliances. According to October 2009 Association records, this includes the organisations listed in table 2.1.

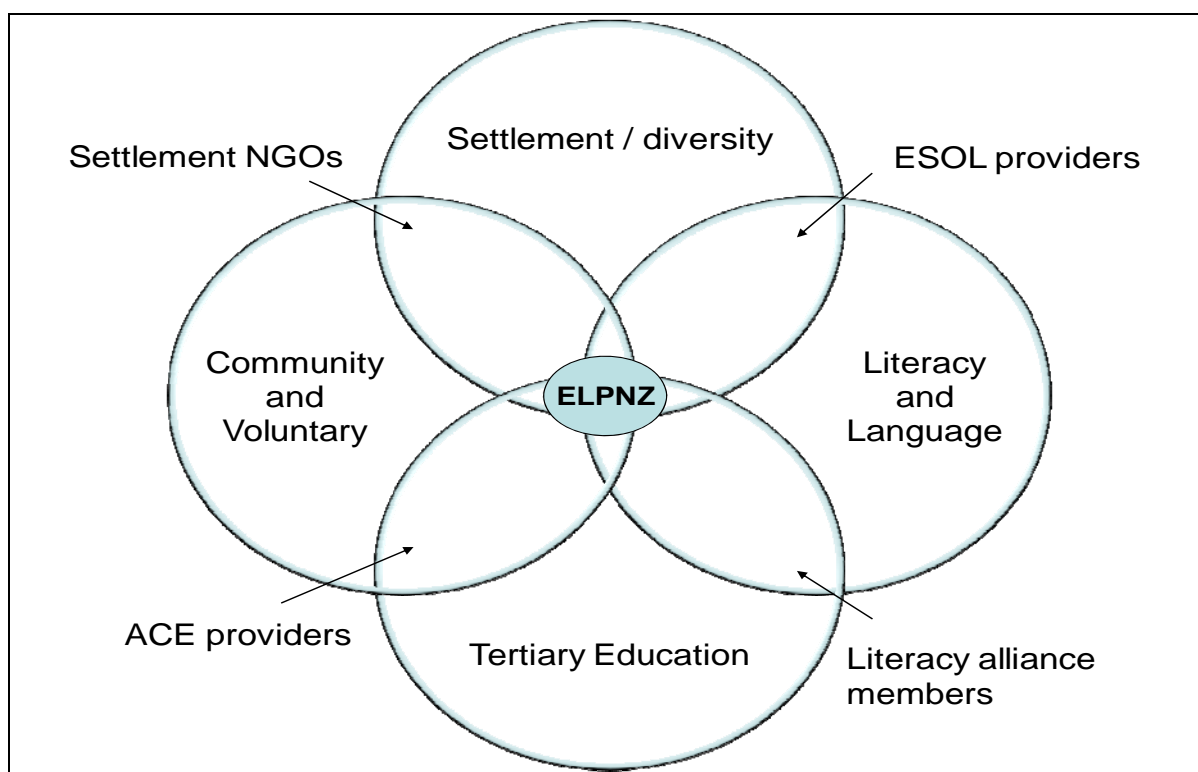
*Table 2.1 ELPNZ membership of umbrella groups*

<b>Umbrella group</b>	<b>Description</b>
Adult and Community Education (ACE) Aotearoa	Umbrella organisation for educators, providers and consumers of adult education
Adult and Community Education (ACE) Strategic Alliance	10 member lobbying alliance of national organisations delivering ACE
Adult Literacy Alliance	7 member lobbying alliance of national organisations on supply (e.g. ELPNZ) and demand (e.g. Combined Trade Unions) sides of workforce literacy
Adult Literacy Practitioners Association	Umbrella organisation for teachers of adult literacy
Teaching English to Speakers of Other Languages Aotearoa New Zealand (TESOLANZ)	Umbrella organisation for teachers of English to speakers of other languages
Settlement Non-government organisations Networking Group	12 member lobbying alliance of organisations working with migrants and refugees
Refugee Services Aotearoa New Zealand	Membership organisation of supporters of refugee resettlement
Diversity Action Forum	Programme of activities that brings together work of 250 organisations supporting ethnic diversity
Volunteer New Zealand	Umbrella organisation for volunteering
NZ Federation of Voluntary Welfare Organisations	Umbrella organisation for voluntary agencies supporting welfare
Association of Non Government Organisations Aotearoa (ANGOA)	Umbrella organisation for non government organisations

ELPNZ has 22 member organisations that fulfil their missions with significant financial and professional support from their umbrella organisation. None could harness a similar level of funding or support without the membership. In turn, ELPNZ utilizes membership of a range of formal and informal groupings to influence, set the agenda, lobby, protect or increase funding, coordinate activities, access collegial support, learn from others' mistakes and 'share intelligence' about funding and regulatory bodies. At local, national and sector levels, individuals move seamlessly between their membership of different bodies as they operate. The paid manager of one organisation may be a voluntary Board member for one of its umbrella agencies. This creates complexity but also ensures coordination and cross-sector learning. Membership appears to be one of the key approaches that not-for-profit organisations in the ELPNZ environment use to enact their missions.

The range of sectors I come into contact with working for ELPNZ includes tertiary education, adult literacy, adult education, English language teaching, refugee and migrant, voluntary, non-government, and community sectors. Sector groupings can form around a part of the mission, a stakeholder group or a funding source. For a schematic of the sectors and how they can overlap, see also figure 2B. The circles that make up sub-groupings of the NFP sector can be thought of as in motion, sometimes overlapping and sometimes colliding (Reischauer, 2006).

Figure 2B ELPNZ in its sectors



Source: Szabó, 2009

Community and voluntary sector organisations are grouped together by their common structures while the settlement and diversity sector shares a client group. Literacy and language organisations are linked by similar outcomes and tertiary education organisations have a common funder. Activities at sector level tend to focus on these common elements.

### ***Sector partnerships***

As well as larger groupings, ELPNZ works with partners both locally and nationally. Two contrasting examples are Literacy Aotearoa and Refugee Services Aotearoa New Zealand. The former partnership is produced not by having overlapping client groups, but by being seen in a similar light by the main funder of both agencies - the Tertiary Education Commission (TEC). The organisations have similar structures, both use paid staff and volunteers, both deliver a form of adult and community education and both access the same suite of funding streams. The relationship is one of partnership regarding reputation, as the

## Chapter two: The Research Context

deeds of one can impact on how both are viewed by the funder, and potentially the wider community. There is also sharing of information, ideas about good practice, and occasionally infrastructure such as home-grown administration systems and software.

The partnership with Refugee Services is based around outcomes for refugee clients, a priority group for ELPNZ and the total client group for Refugee Services. Each organisation's work advances a mission about supporting refugees. In this case, mutual accountability is underpinned by a commitment to the client group. The relationship is not influenced by having a common funding body.

While local and national partner organisations can include government departments, local councils and churches, they are most often other community-based agencies with similar structures to our own. There is no example of a significant partnership with a profit-distributing organisation.

The above discussion about memberships and partnerships encapsulates the way that I experience 'sector' in my work at ELPNZ. Sector is a dynamic word with a shifting definition depending on current context and goal. It is based on actual interactions that are purposeful and related to pursuing a not-for-profit mission. To a practitioner, the sector is a set of relationships framed by organisational roles that may be paid or voluntary, and may be both at once. The long list of organisations with whom ELPNZ associates directly or through umbrella groups is its sector.

There are many not-for-profit groups with whom ELPNZ has no contact or relationship.

Nonetheless, the concept of an all encompassing sector has "come to have currency"

(Gatenby, 2004, p92). It is used by researchers, by government policymakers, and statistics

are collected and disseminated on this wider sector. In the next section of the chapter, I look at definitions of the sector, both internationally and in New Zealand, found in literature and establish a definition for the purposes of the research.

### **Not-for-profit sector in the United States and the United Kingdom**

Although sector organisations such as ELPNZ naturally group together according to shared characteristics, the ways a wider sector is discussed and described is subject to considerable regional variation. In this section I canvass American and British literature where the sector has been richly described.

The sector addressed in NFP literature is referred to in a range of ways that emphasise different aspects of its uniqueness. Titles include third, non-governmental, not-for-profit, voluntary, and community sector. It is variously distinguished from government, from business and from the domestic 'sectors' (Gatenby, 2004).

In a 2007 report on the 'third' sector in Britain, 168,000 registered charities, 21,800 subsidiary charities, 55,000 social enterprises, and 8,100 cooperatives and mutuals were identified (United Kingdom Cabinet Office, 2007). The writers provide the British Government's definition of the sector, namely:

non-governmental organisations that are value-driven and which principally reinvest their surpluses to further social, environmental or cultural objectives. It includes voluntary and community organisations, charities, social enterprises, cooperatives and mutuals (p5).

In the United States, Bateson attempts to describe the sector's size, noting "1.3 million nonprofit organizations in the United States... not counting religious groups, schools, government agencies and some hospitals" (Bateson, 2008, p3). What is and is not counted within the sector varies from country to country, and from writer to writer.

The sector in Britain is argued to have a long history and to predate the public sector (Courtney, 2002). In the twentieth century, it had periods of growth that related firstly to loss of public confidence in the state sector in the 60s and 70s, and later to the practice of government contracting sector organisations to deliver public services (Courtney, 2002). Most recently in Britain there has been increasing expectations regarding how charitable organisations should be run and a related increase in use of "human resource management tools, financial and administrative tools, and strategic planning" (Courtney, 2002, p4). The impetus is to "justify public expenditure", and as such, funding policy is "increasingly driven by the need to measure outcomes" (Brindley, 2001, p138). One of the attempts in Britain to increase financial accountability of NFP entities has been the advent of the Charity Commission whose responsibility it is to register and monitor charities. This has also been picked up and adapted in the New Zealand context (Cordery and Baskerville, 2007).

Capability in the US sector has also increased in recent decades. By comparison with the current level of professional practices in the US not-for-profit sector, "most nonprofit leaders" in the 1980s "were unprofessional" (Bateson, 2008, p5). Skills such as "budgeting, money management, fundraising, strategic planning, programme evaluation" and "marketing" were areas few leaders started off with (Bateson, 2008, p5). Founding visionaries were able to lead organisations using passion and common sense, but this is no longer the case. Other American authors describe increased attention within the sector



towards reporting, monitoring and auditing as a particular response to the policy environment (Christensen and Ebrahim, 2006).

Although the sectors are thought about differently in the US and the UK, there are a set of commonalities. These are mainly with respect to the increases in funded activities, accountabilities and associated skills needed by staff over the last few decades. The broad similarities are also shared with the New Zealand NFP sector, as discussed later in this chapter.

### ***International categorisations within the sector***

Not-for-profit and non-government are terms that effectively group together organisations by what they are not, rather than defining their commonalities. This pulls into one grouping everything from hospitals to sports clubs to aid organisations to professional associations. In light of the diversity of the sector, attempts have been made to categorise organisations. Categories have variously been based on function, on control/resourcing, on beneficiary, and on activity (Courtney, 2002). I note that these factors can be loosely seen to relate to the different sub-sectors that ELPNZ recognises in figure 2B above. We function as a community and voluntary agency, our resourcing is as a tertiary education provider, our beneficiaries are migrants and refugees (settlement/diversity) and our activity is literacy and language provision.

Courtney saw problems with the concept of a single all-encompassing but definable sector in that organizations are “extremely diverse”, and there is “considerable interdependence” with other sectors (Courtney, 2002, p51). Like him, I agree that “particular organizational characteristics... need to be addressed at sub-sectoral level...” (Courtney, 2002, p51) and

this links with my professional experience of specific, purpose-oriented and relationship-based sub-sectors.

Activity-based categorisation has become prevalent and 12 such groupings are identified in the International Classification of Non-Profit Organisations or ICNPO (Sanders et al., 2008). This system has been adapted for a large-scale New Zealand study with the major adaptation being the addition of a ‘tangata whenua governance’ sub-category (Sanders et al, 2008). See table 2.2 below.

*Table 2.2. International Classification of Nonprofit Organizations*

Culture and recreation
Education and research
Health
Social services
Environment
Development and housing
Law, advocacy and politics
Grant making, fundraising and volunteerism promotion
International
Religion
Business and professional associations, unions
Not elsewhere classified

*Source: Sanders et al., 2008*

**The New Zealand not-for-profit sector**

While I was undertaking this thesis, considerable amounts of new data were published about the New Zealand NFP sector. Even reasonably recent research in New Zealand has bemoaned the lack of data on the size and scope of the sector (Cribb, 2005; Gatenby, 2004). A number of studies written with input from New Zealand’s Office of the Community and

Voluntary Sector, Statistics New Zealand, New Zealand's committee for the study of the not-for-profit sector, Massey University and the John Hopkins University provide the following information.

The New Zealand not-for-profit sector in its entirety is a \$9.8 billion industry including \$6.5 billion of operating expenditure. It mobilises a voluntary workforce representing \$3.3 billion in labour and employs 200,000 full time equivalent paid staff and volunteers, or 9.6 percent of the "economically active" population (Sanders et al., 2008, p10). This makes the sector nearly as large an employer as the manufacturing industry, and employs twice as many personnel (paid and voluntary) as either the construction or transport and communications industries (Sanders et al., 2008).

In their landmark study of the sector in international comparison, Sanders, O'Brien, Tennant, Sokolowski and Salamon noted that volunteers in New Zealand make up an unusually high proportion of the NFP workforce with 67 percent of full-time equivalent work being done by unpaid workers (Sanders et al., 2008). This compares with 58 percent in Nordic countries, 56 percent in African nations, 48 percent average in countries described as Anglo-Saxon, 40 percent in Australia and 42 percent across the full 41 country average. They note that 90 percent of New Zealand NFP organisations employ no staff at all (Sanders et al., 2008).

Like its international counterparts, the sector in New Zealand is diverse with organisations performing "a wide array of functions" including health, education and social services as well as promoting cultural and civic action among others (Sanders et al., 2008, p14). It sources 55 percent of its revenue from fees, 25 percent from the government and 20

percent from philanthropy. This contrasts with ELPNZ which sources almost no income from fees, approximately 75 percent of income from government and 25 percent from philanthropy.

The report defines NFP organisations through five key criteria namely; 'organised' in that they have a structure and regular activity, 'private' as opposed to state, 'not profit-distributing', 'self-governing' being in charge of their own affairs, and 'non-compulsory' in terms of membership or participation (Sanders et al., 2008, p5).

Sanders et al. make use of the ICNPO classifications found above in table 2.2. Further distinction has been made by Salamon, Sokolowski and List between 'expressive' organisations (sport, recreation and culture) and 'service' related entities (Salamon, Sokolowski and List, 2004). At 45 percent of the 97,000 not-for-profits operating in New Zealand in 2004, there are more groups in the former category than in the latter, with service entities making up only 10 percent of the total (Statistics New Zealand, 2004). This distinction is also true historically and is linked to the colonial roots of the sector (Tennant, O'Brien and Sanders, 2008). Under this regime, ELPNZ would be a 'service' entity. It would most appropriately fit into the 'education and research' category of ICNPO.

As previously mentioned, most of the titles given to the sector announce what it is not, such as not-for-profit or non-government. However a range of features have also been positively attributed to sector organisations beyond the categorisations above. Not-for-profits characteristically involve a level of altruism or volunteerism, have a commitment to strongly held values and focus on work that stems from these values (Gatenby, 2004). Values often include "cooperation, empowerment... trust, stewardship, hope" (Gatenby, 2004, p 92).

These values or aspirations are frequently expressed in mission statements that guide the work and decisions of the institution, and frame the way success is measured. The suggestion that mission-focus is a defining characteristic of the sector, links strongly with my experience at ELPNZ, ELP centres and with partner organisations.

When I use the term ‘New Zealand Not-for-profit Sector’ in this thesis, I am referring to groups that are organised, private, not profit-distributing, self-governing, non-compulsory (Sanders et al., 2008) and are mission-driven (Gatenby, 2004). Generally speaking, I am also thinking of those that provide services rather than “expressive” organisations such as sports groups (Salamon, Sokolowski and List, 2004). Although some aspects of the thesis may find application outside the defined sector, I do not purport to be thinking of the entire not-for-profit sector described in reports such as Sanders et al. (2008).

Further limitations will be applied to the sector when I come to discuss the validity of results and conclusions of my research (which are not intended to be relevant across the whole sector). For a full discussion, see chapter five.

### **New Zealand policy context for the NFP sector and Government**

As previously noted, the concept of a full New Zealand not-for-profit sector has been used in policy making at government level. Government decisions about what to outsource has shaped the sector, altered its size, and given the state more of a role in regulating the sector (Wallis and Dollery, 2002). For these reasons, no thesis looking at leadership and accountability in NFP organisations would be complete without understanding government policy. The following discussion canvasses the last decade of policy making for the full NFP sector, as well as reviewing the adult and community education, and refugee and migrant

resettlement sub-sectors. It provides discussion and information about the forces shaping the accountability landscape within, between and beyond sector entities.

A number of significant attempts to understand and improve the relationship between the community sector and government were undertaken by the Labour-led government between 1999 and 2008. Regional and national forums were held with community sector representatives sporadically throughout this period and a 'Community and Voluntary Sector Working Party' (later called the Community Sector Taskforce) was established and funded by government to lead developments. Documents such as the 'Policy on Volunteering' (MSD, 2002), 'Treasury Guidelines on Contracting with Non-Government Organisations' (Treasury, 2003, updated 2009) and the 'Statement of Government Intentions for an Improved Community-Government Relationship' (MSD, 2001) were published by the government.

In its 2009 assessment of progress on the Statement of Government Intentions entitled 'Good Intentions', the Association of Non-Government Organisations Aotearoa notes "an emerging evolution in approaches to relationship management away from the dominance of detailed... contracting seen in the late 1980s" (ANGOA, 2009, p14). Overall however, it paints a gloomy picture of marginal progress and entrenched problems, with fault mainly located within government. The report provides some insightful comment on accountabilities within NGOs, said to be misunderstood by government. The "primary accountability of both governance and management [of an NGO] is to their members or their service recipients – not to a government agency with whom they may subsequently establish a funding contract" (ANGOA, 2009, p15). The writer traces an irony that an NGO's

primary accountability to members or clients stems back to government legislation on the structure of incorporated societies and charitable trusts (ANGOA, 2009, p15).

### ***Tertiary education and adult and community education (ACE) policy***

Much policy change has occurred within tertiary education over a similar period and therefore also within adult and community education (ACE). This sub-sector has a single government agency that provides funding; the Tertiary Education Commission.

The Tertiary Education Advisory Commission (TEAC) produced four reports (TEAC, 2000; 2001a; 2001b; 2001c) outlining an ambitious set of shifts shaping respectively the vision, system, strategy and funding for tertiary education. It was under this new brief that the TEC was set up. ACE was addressed in the four documents “directly and explicitly” (Leach, 2009, p4).

The production of an ACE sector development plan *Koia! Koia! Towards a learning society* (MoE, 2001) by a Ministerial-endorsed working group, provided a more detailed and sector-led vision for ACE. The founding CEO of ELPNZ was a member of the working group. The document provided a blueprint for sector policy in the ensuing six years. Major work-streams included the introduction of quality assurance systems to all providers, a professional development strategy for the sector and the attempt to introduce a single funding framework (Leach, 2009). The shifts have made the sector more “respectable” although concerns have been noted about the need to “retain the soul” of adult education while trying to increase professionalism (Leach, 2009, p13).

Heading into the 2008 general election, the National Party released tertiary education policy that made no mention of ACE (National Party, 2008). In 2009, the newly-elected National-

led government announced a halving of funds to the ACE sector in its first budget (MoE, 2009). The withdrawal of funds was differentiated through the sub-sector with the largest single percentage reduction (80 percent) being taken from schools running adult programmes, and with some organisations (including ELPNZ) experiencing no cuts. My personal experience since the announcement of the policy change has been a strengthening of sector identity and collaboration, rather than increased competition or fragmentation. It seems that the relationship with government, even where this is the most significant thing in common, can influence identity and behaviour, and build 'sector'.

### ***Refugee and migrant settlement policy***

The final sub-sector from a policy perspective is the settlement sub-sector; those working with migrants and refugees. This group includes agencies working in the mental health, housing, information and advice, language, community development and other areas. Funding for entities comes from a range of central and local government and non-government sources. Any link between these organisations has been, to a large extent driven by commitment to the same client group.

A major policy intervention however was the 2004 launch (and subsequent updates) of the 'New Zealand Settlement Strategy' (DoL, 2007). This drew up a vision and goals, and had an associated 'action plan' with detailed work-streams. New funding came with the Strategy and the level of coordination within the sub-sector has subsequently increased. A new group known as the 'Settlement NGOs Networking Group' started in 2007, and I was its founding chair. The purpose of the group, as per its Terms of Reference, is to promote a 'cooperative and collaborative NGO sector supporting migrant and refugee resettlement'. While there were some relationships between group members prior to the set-up of the



network, the increased coordination was a direct reaction to the perceived increase of power that government held in the settlement arena subsequent to it taking up an explicit, and funded, settlement agenda (Skyrme, 2008).

In the settlement area, cooperation and the sense of a 'sector' have been driven by a combination of commitment to the client group and reaction to government's entry into this sphere of activity.

### ***How policies have shaped the sectors***

The broad NFP sector, and the education and settlement-related sub-sectors have undergone increased coordination and professionalization in the last decade. The behaviours and policies of governments have shaped accountabilities and identities for sector organisations. The absence of policy – the National Party Manifesto's silence on ACE – as well as the introduction of policy – Labour's approach to settlement – are both influential in the actions and reactions of the sub-sectors concerned, and the extent to which they might strategise and act collectively. Governments' consecutive choices to fund or not fund an area shapes and reshapes that subsector in terms of its size, its activities, and the accountability landscape. When governments invite new players into a sector, the makeup of the sector and the relationships between players are also subject to change. These changes may be positive or negative, but in any case they are the consequences of government policy and funding decisions.

### **Summary**

As a part-time researcher and a full-time participant in the New Zealand NFP sector, my thesis has been influenced by what I have heard and read, seen and done in my life, work

## Chapter two: The Research Context

and studies. This chapter has sought, in part, to unpack these varied influences for the reader. I have also provided context for the upcoming sections of the thesis. Over the ensuing chapters I build up a picture of the leadership and accountability challenges at ELPNZ locally, nationally, and across a range of four other NGOs. The influences on leadership and accountability have been explored at a number of levels in this chapter.

My own approach to leadership was presented as a story of immigration, language education and management. I have co-opted models such as cooperative learning, situational leadership and reflective practice to build my own management and leadership responses to NFP challenges. The choice to undertake this research is embedded in my own search for understanding of New Zealand NFP leadership possibilities, a search springing from my appointment and work as CEO of ELPNZ.

ELPNZ is a community-driven social movement and collective of organisations existing to support language development and integration for the ever-changing face of migrants and refugees to New Zealand. It has become increasingly formal, professional, complex, accountable and diverse as the decades have passed. Leadership challenges have been many, as have strategies to overcome them.

The sub-sectors within which ELPNZ operates are as overlapping as their mission statements and strategies are interrelated. Statistical reports and academic literature locate our subsectors within a broader sector of NFP entities. Governments make funding decisions from time to time which in turn influence the shape and identity of not-for-profit organisations and their groupings. The leadership and accountability environment is complex, interactive and continually changing.

## Chapter three: Accountability and Local ELP Leaders

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### Introduction

In this chapter I develop the topic of accountability within ELP at the local level by investigating accountability relationships held by centre managers, and theorising how these manifest and interact. The chapter draws on a pilot study undertaken in 2005 and lays the groundwork for chapter four where I explore accountability relationships with respect to leadership processes. Further sections of the thesis expand on the results of this chapter within different NFP contexts such as my own CEO context (chapter six) and in other sector entities (chapter seven).

As mentioned in chapter two, I had been involved in creating performance measures for local centres' funding agreements with ELPNZ. This work raised the question for me: how do you measure whether a not-for-profit organisation is doing a good job? Looking in the literature in the first instance, I found useful the concept of 'balanced' measures (Kaplan and Norton, 1992) where a diverse mix of indicators is employed to ensure the goalposts (measures) collectively align to the aims of the organisation. This counters some conventional practices that draw on business models and tend to over-utilize the bottom line and other financial indicators. This chapter starts with a brief overview of literature on the subject of performance measurement; a common method for organisations to assess and demonstrate effective leadership and accountability.

I then turn my focus to questions that arise about what in fact should be measured. There appear to be a number of competing viewpoints on what 'doing a good job' for a not-for-profit organisation actually means. Groups such as clients, funders, and centre committees all seem to have interest in defining the terms of 'a good job'. My search gathered momentum around a new question. Who is a local centre accountable to? Allied to this I wanted to know how the accountabilities shaped the work and decisions of the centres, if some accountabilities dominated, and what practices had developed in response. How did all of this relate to the mission of the centre?

I do not provide in-depth results of the whole pilot study, which involved interviewing five local ELPNZ managers regarding their perspectives and experience in managing accountabilities. What I do present are those aspects that have shaped later chapters. This includes the results of two interview questions, discussed in light of perspectives from academic literature on how NFP accountabilities occur.

Significant discussion is provided in this chapter about each of the stakeholder groups to whom ELP managers feel responsible. This includes clients, volunteers, governance groups, staff, local funders, government and the national body (ELPNZ). I note variations in how different informants deal with the competing groups. I explore how various kinds of accountabilities are constructed or understood by the managers; such as financial, structural and moral. Do some dominate others? If so, what does that mean in practice?

Chapter three concludes with a summary of the questions from this earlier investigation which I take forward into my CEO role and further data gathering. This shapes the new questions arising as I continue my research journey.

## **Measuring NFP performance**

Although there have been significant developments in the business world in measuring organisational performance (as outlined below), the not-for-profit sector has not always had similar successes. Bruce Glasrud writing for *Nonprofit World* describes not-for-profit outcome assessment as moving from “glory stories” – purely qualitative – to “the ‘McDonalds school’ of quantitative measurement – the ‘billions served’ model” (Glasrud, 2001, p35).

Nonetheless, performance measurement retains an “undeniable commonsense appeal” (Campbell, 2002, p243).

## ***More than just finance***

The trend in management away from a singular financial focus and towards “balanced measures” (Kaplan and Norton, 1992) is of increasing relevance to not-for-profit and education organisations and to those that hold them accountable. This is owing to the increased sophistication of their measures. Issues arise however, related to power and voice, particularly of clients and non-funder stakeholders.

Kaplan and Norton’s work on balanced measures outlines the “documented inadequacies” of traditional performance indicators where the bottom line summarised achievement. The short-comings of this approach include its “backward-looking focus” and its “inability to reflect... value-creating activities” (Kaplan and Norton, 1992, p73). From a NFP perspective, a sole focus on the financials offers little benefit to organisations focused on advancing a social mission.

Back within the commercial sector, pressure mounted from consumers to measure more than profit and loss (Neely, 1998). One adaptation companies made was to become “learning organisations” (Kochan and Useem, 1992) encouraging investment into training and development. Another reaction was to create a mission with a customer orientation (Kaplan and Norton, 1992). There was a movement towards “a much greater participation in the management of enterprises by all the workforce” (Heywood, 1998, p xii).

Some companies had specific expansions on financial measurement that became well-known. Consider for example the “SMART” model from WANG Corporation, (Lynch and Cross, 1991) or the “Results/Determinants Matrix” that included quality as a measure (Ballantine and Brignall, 1994). The European Foundation for Quality Management (EFQM) has a model with a similar distinction, this time between “results” and “enablers”, where “society” is a category of result and “leadership” a category of enabler (Ballantine and Brignall, 1994).

The innovations explicitly increased the sophistication of what was being measured. This was so that essential activities such as staff development were not disincentivised due to there being cost without immediate return. One disadvantage that emerged however was where the complexity of measurement systems generated more work than value. At worst this can “amount to a monopolization of staff time and skills for a relatively small payoff” (Worthen et al., 1997 p.90).

Such monopolisation can occur where multiple accountability regimes are overlaid on top of each other. This has been noted in the New Zealand government-funded environment by Barrett (2001). He found “inappropriate” the imposition of “a complex and demanding

accountability regime” with respect to funding contracts, especially where these organisations already have external accountability regimes imposed on them (Barrett, 2001, p50) by other government agencies, for example.

Measurement systems needed to capture a balance between financial and non-financial ratings while remaining simple to understand and administer. A popular example of this kind of performance tool is the “Balanced Scorecard”. It has four “perspectives”; financial, customer, internal processes, and organisational learning and growth (Kaplan and Norton, 1998). It has been proposed for use by schools too (Sommerset, 1998). This bears relevance to the question of potential cross-application to NFP organisations.

#### ***Measuring social outcomes***

One area that creates particular difficulty in holding NFP organisations to account through performance measurement is the social outcomes of the work. ELPNZ clients work with the organisation in order to improve their English, increase confidence to communicate with others and pursue aspirations within their new community. To measure results, there may be tests that can demonstrate the language learning of a client. Proving social or societal benefits however, is vastly more complex, and measuring these can create information of dubious validity (Jackson, 1994). The act of measuring progress or impact would be costly and could also conceivably deter the learner, or their volunteer supporter, from doing the work.

On comparing outcomes measurement for not-for-profit organisations with that for businesses, Glasrud notes that measuring “human and societal outcomes is much dicier”

than what is required in the business world (Glasrud, 2001, p35). He warns that systems set up by NGOs and their funders “may set up forces counterproductive to their goals”. This is caused by a potential “large cognitive gulf” between intended outcome and how that outcome is measured (Glasrud, 2001, p35).

Glasrud suggests that outcomes assessment borrows directly from engineering and is only relevant where the system can be broken into step functions, effectiveness can be tested by analysing the functions, the functions lead to the change that is needed, and “one step-function fits all” (Glasrud, 2001, p36). He feels that this “connect the dots” approach is short sighted and leads to a focus on short-term goals (Glasrud, 2001, p36). This expression foreshadows some of the sentiments of ELP local managers’ interviews in the following section.

#### ***Mismatches between measures and goals***

When others, such as government funders, use KPIs to hold an NGO to account, certain risks should be borne in mind. When an NFP leader raises concerns regarding a mismatch between measurements and goals, this can be misinterpreted by government or observers as NGO resistance to being accountable. An example includes where NFP leaders are said to be holding themselves to “unreasonably high data standards”, or as “denouncing all outcomes assessment strategies as getting in the way of the heart and soul” of the work (Campbell, 2002, p252). Campbell’s view that “inadequate training, slow learning curves, or deliberate evasion” explain the sector’s slow adoption of standardised outcomes indicators may state clearly what some civil servants feel about NGO accountability. Note the link here to the ‘respectable-isation’ agenda within the New Zealand adult and community education



setting outlined in chapter two. This was critiqued by sector researchers for jeopardising “the soul” of the sector’s work (Leach, 2009, p13). The negotiating of measures for accountability purposes can cause problems.

Funders and NFP organisations have different groups of stakeholders to whom they are accountable. Government officials are required to think of the taxpayer, the voting public, or the citizenry at large. This means justifying why one interest group may be favoured over another with an emphasis on being unbiased and transparent. Success for an NGO however, is when its specific interest, community, or client group has been served. The separate cultures of accountability that are linked to stakeholder relationships and aims have been referred to as producing “ethical climates” (Rasmussen, Malloy and Agarwal, 2003). These climates create differing behaviours to be interpreted within the environment they occurred, and opening up possibilities for misunderstanding and misjudging others’ actions when not seen in this light.

#### ***Measuring NFP effectiveness***

There is much to be considered when drawing up performance indicators for an organisation which needs to balance financial viability with investment in staff, innovation, responsiveness to clients and social outcomes. The previous section has noted ways in which performance measurement systems can be nearer to, or further from the aspirations of a not-for-profit organisation. It has outlined the need for systems to be sized correctly to the situation and not become more burdensome than the value of the information they produce. They need to be designed with consideration of the social nature of many NFP

organisations' outcomes and when used between different organisations, should take stock of differing ethical climates.

While the debate on exactly how to choose indicators for the complex setting of an NFP agency is important, deeper questions troubled me. As I worked through the literature and my tasks at work setting centres' measures, I noted a sense of discomfort with the concept. It may be difficult, but not impossible to measure the work of an NFP organisation once you know what that work should be. Who decides this emerged as a more problematic question.

It seemed instinctive that the client group should have a significant say about the work. Those financing the work, particularly when the funding comes from the public purse, may have a legitimate stake. The elected governance body surely has a role in setting direction and deciding what is 'good' for the community. The list could continue. Each group may have a very different viewpoint. Part of my pilot study focused on what the managers of five ELP centres thought about this issue.

## **Method**

The next section briefly describes the methods used in the pilot study. It includes a discussion of the validity and reliability of the data.

I interviewed managers of five local ELP centres around New Zealand. Having worked alongside all 23 local managers for some months, I was aware that some drew on long experience working in the organisation or the wider sector. Based on this knowledge, I picked managers I had found to be experienced and insightful about the mission and work of ELPNZ. I was interested in whether their views on accountability would conform or differ.

Where they differed, I considered each as “having something important to say” (Tolich and Davidson, 1999, p6). Where all felt for example, that a particular stakeholder was important, I saw this commonality as reinforcing the answer given and suggesting broader applicability (Bell, 1999).

I picked a semi-structured interview format that allowed for further questioning on answers managers gave. They listed, ranked and defined the types of accountability they encountered in their jobs.

Among other things, all candidates were asked what activities they would do more or less of if they wanted to improve accountability, and who they felt accountable to and in what order. Data were categorised into tables and themes, some of which are presented and discussed below.

#### **What accountability activities would managers do more or less of?**

I am presenting the answers to this question as it reveals that managers would make particular changes to their accountability activities given a choice. Not only are there activities they would reduce, but things they would increase. The range of things they are measuring and reporting does not coincide with their felt responsibilities.

The interviewees were asked to describe the range of accountability activities they did in their work. They noted which these tasks they thought assisted them in their jobs, made them more professional or made the organisation more accountable; and which did not. Eleven unprompted answers were given by the five candidates as per table 3.1. Note that findings are presented and discussed in the context of the literature in a following section.

*Table 3.1 Accountability activities and their perceived effectiveness*

<b>Accountability mechanism</b>	<b>Would do more</b>	<b>Effective – would keep</b>	<b>Would do less</b>	<b>Ineffective – would disband</b>
TESOL* support	✓			
Database		✓✓		
Record keeping		✓		
Lesson plans		✓		
Quality Assurance		✓✓✓	✓✓	
Finance/budgeting		✓✓	✓	
Using employment agreements			✓	
Appraising staff performance			✓	
Meeting funders			✓	
Service audit**				✓
Collecting Invoices***				✓

\* Supporting tutors in techniques of Teaching English to Speakers of Other Languages (TESOL)

\*\*Annual survey from National Office on the completion of funded tasks not counted in the database

\*\*\*The collection of invoices for expenditure relating to some grants from non-government funders

Although this list is not comprehensive, a trend emerges. Tasks relating to quality of service such as lesson planning were seen as useful with the training of tutors in TESOL (teaching English to speakers of other languages) seen as something that requires more emphasis. One manager was 'worried' that the time spent on investigating quality and documentation of office procedures (under the quality assurance programme) was hindering work on 'core

business'. Another subject found 'providing documented evidence of office systems and policies one step removed from real life'. No manager felt however, that the quality assurance programme should be disbanded, only that the emphasis should be shifted away from 'second-level' work 'ancillary to our essential services' (2 managers).

The managers felt accountable financially for keeping budgets, monetary records and a database on the services they provided for the funding. Tracking invoices for very small sums however, was not seen as helpful. One interviewee described being audited by a local funding body that asked for separate expense documentation on the photocopying costs related to their part of a small project. Here the funder has not heeded warnings described earlier in the chapter about accountability becoming a "monopolisation of staff time and skills" (Worthen et al., 1997, p90).

#### **Multiple accountabilities and their types**

The question above on accountability activities and their perceived usefulness noted what ELP centres must measure and report. What is required for accountability is out of step with managers' sense of where their focus should be. This does not stem from a resistance to doing accountability-type tasks in general, as managers would ideally increase some work areas. Forces determining the activities are not aligned with the managers' sense of their own mission. Some of these forces are legal obligations, financial imperatives or relate to the organisational structure (e.g. conducting staff appraisals). The following discussion scans literature on conceptualisations of NFP accountability.

The growing challenge “to manage multiple accountabilities” (Silley, 1993, p80) such as to government, other funders and donors, clients, volunteers and members, has been ascribed to the whole NFP sector. As such, NGO accountability is receiving increased attention in literature (Kerlin, 2006). As well as responding to different interest groups, NFP organisations “hold themselves accountable to their own core values, mission, and standards of performance” (Kerlin, 2006, p388). Each of these examples taken alone might suggest some complexity. How do NFP entities understand their suite of responsibilities? This is a “largely unexplored question” to date (Cribb, 2005, p69).

Stakeholder theory has been used to address accountability implications for New Zealand NFP organisations contracted by government for services (e.g. Barrett, 2001). Alongside a government funder exercising influence over an organisation through funding accountability, the public, volunteers and beneficiaries among others should equally have opportunity to shape and inform the service. Barrett describes “community-centredness” as a distinctive feature of the NFP sector (Barrett, 2001, p37). It is simultaneously a reason government contracts with it, and a point of controversy in establishing accountability regimes for the funding.

#### ***Categories of accountabilities***

There have been some attempts to categorise or conceptualise the forces at work on NFP organisations. Cribb notes two conceptualisations of accountability: ‘hard’ – “the most widely adopted concept, draws on agency theory” while ‘soft’ – “an emerging concept, takes a broader view of what constitutes accountability” (Cribb, 2005, p49). Hard accountability manifests itself through contracts and formal arrangements. There are

consequences for non-compliance. Soft accountabilities are likely to be felt rather than formal and but can be extended to include mechanism such as client feedback, continuous improvement and action research. Cribb acknowledges multiple accountabilities too.

Christensen and Ebrahim describe differing accountabilities including “upward” to donors, funders and national umbrella organisations; “lateral” to staff and Board, the mission, volunteers and community partners; and “downward” to clients and beneficiaries (Christensen and Ebrahim, 2006, p198). They describe lateral and downward accountability as less formalised and as “felt responsibility” (Christensen and Ebrahim, 2006, p196). This is distinguished from formally “being held accountable” from above (Christensen and Ebrahim, 2006, p207).

How the relationships with different groups manifest has also received various treatments. They can be exercised through contractual arrangements, through organisational structure such as elected representatives and through moral obligation to stakeholders such as clients or volunteers (Carver, 1997). Furthermore, “each level of accountability requires different kinds of mechanisms” (Christensen and Ebrahim, 2006, p198). Upwards mechanisms are prescribed for the agency by the external party whereas the NFP organisations “must develop methods to scrutinize and build accountability to lateral and downward stakeholders” (Christensen and Ebrahim, 2006, p197).

Finally, the dominance or prioritising of accountabilities is addressed by some authors (e.g. Christensen and Ebrahim, 2006). Cribb surveys literature that suggest how NFPs should prioritise their accountabilities and finds examples of arguments for ‘ethical’ (Lawry 95, in Cribb 2005), ‘moral’ (Smith 93, in Cribb 2005), ‘economic’ (Bogart 95, in Cribb 2005) and

'legal' (Brown and Moore 2001, in Cribb 2005) prioritisation approaches. The "basic tension between bureaucracy" and remaining "accountable to... constituencies... and funders" has been noted regarding New Zealand community health organisations (Crampton et al., 2001, p13). These accounts all resonate with the experiences indicated by ELP managers above, and are described in more detail below.

#### **Who do managers feel accountable to?**

Each manager stated who they felt accountable to, and why, in a loosely ranked order. The five managers listed 4, 6, 7, 7, and 8 groups each. Nine distinct groups were mentioned altogether. A number were more highly ranked and/or consistently mentioned by the interviewees. See table 3.2.

Among the five answers, three distinctly different parties were seen as the primary accountability of managers. Three managers listed 'learners', one listed 'staff' and one listed 'myself' as the primary accountability.



Table 3.2 Who do managers feel accountable to?

	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>	6 <sup>th</sup>	7 <sup>th</sup>	8 <sup>th</sup>
Learners	*#^	✓			@			
Volunteer tutors		*	✓ = #^			@		
Committee		#	✓ = @	^			*	
Staff	✓	@				*		
Myself	@							
Government		^	*	# =			✓ @	
ELPNZ				* @		✓ #		
Other funders				# =	✓			
Community / other NGOs					*			@

Manager 1 \*

Manager 2 #

Manager 3 @

Manager 4 ^

Manager 5 ✓

One manager identified ‘different types and levels of accountability’. Another mentioned ‘radiating circles of moral accountability’ that ‘starts with people and ends with paper’. This interviewee chose staff first, learners second, and placed government ‘in its own orbit, probably around Pluto’. Overall, ‘government’ and ‘other funders’ were not as highly ranked as learners, volunteers and staff. One manager mentioned learners in fifth place, after

herself, staff, committee members and the national office; while three understood learners to be their first accountability. The choice of 'myself' as primary accountability was a creative answer discussed further below.

Some of my results align with Cribb's findings where she undertook 34 interviews with Board members and managers in 4 New Zealand voluntary agencies. She asked "to whom, for what, and why they thought themselves accountable" (Cribb, 2005, p.i) and found that accountability is firstly to clients as this maintained organisational legitimacy. In second place are internal stakeholders; staff, members and Board. Finally she notes government agencies – this relationship is seen as a means to an end. Although her study was larger scale, her methodology sought to find overarching trends rather than, as in my case, a range of differing legitimate perspectives. Her results contrast with the quantitative study of 2,000 NFPs undertaken in Australia in 2002 (Woodward and Marshall, 2002 in Cribb, 2005). Here organisations nominated their 3 most important stakeholders. Results were 1) members, 2) clients, and 3) government.

Kumar undertook a study asking similar questions in two large British organisations. Like me, she interviewed those managers who were in charge of local service delivery and she uncovered five prioritised relationships: ultimately to users, to government officials, to line managers (not to Boards or trustees who were seen to be out of touch), to local networks and to local donors (Kumar, 1997 in Cribb, 2005).

I think it is important that the five managers' responses indicated three different notions of a primary accountability. This aligns with the Cribb, Woodward and Marshall, and Kumar studies that each found differing primary accountability orientations (Cribb, 2005). Leaders'

accountabilities in a not-for-profit setting are complex and appear to be understood by individuals differently.

Separate treatments follow on the stakeholder groups listed by managers. The results are provided and supplemented with managers' commentary. I tease out where multiple accountabilities interact with a special focus on which ones dominate and why. The section culminates in conclusions about the managers' conceptualisations of accountability, and the implications for further inquiry into leadership.

Numbers in brackets refer to the number of responses as per the chart above. All managers will be referred to as 'she'.

#### ***Accountabilities to Learners (5)***

Managers felt strong accountability to their clients: learners of English. Comments rationalising the high prioritisation referred to learners by four speakers as 'what we are doing the job for', 'the reason we are here' and 'what all this milling around and documents is for'. This coincides with Cribb's concept that "[p]roviding a high quality of service to clients secured their organisational legitimacy" (Cribb, 2005, p187).

Learner relationships were described twice as a 'moral' obligation and by one, the 'driving force and passion' behind the job. Four saw their task as providing 'quality' provision with two detailing the need to arrange 'sensible' or 'suitable' provision. Three described a 'right' for learners to access the service. Particular difficulties were acknowledged 'deciding if someone is ready to learn' such as 'refugee women who are in shock or in mourning but the

husband or another provider has referred them on to learn English.’ This speaker asserted that ‘sometimes being accountable is not doing what you are told’.

There is a tension between the moral accountability to the learner and legal partnership agreements with other providers, or funding arrangements with government to provide services. This was emphasised by the speaker who thought that ‘being happy to refer on’ was important, outlining a moral obligation not to provide service, despite potential economic incentives to the contrary. The managers’ preferences are to the objects and accountabilities of their organisational constitutions rather than funding agreements subsequently entered into. This was predicted by ANGOA in their report on community-government relations as mentioned in chapter two (ANGOA, 2009).

#### ***Accountabilities to volunteer tutors (5)***

In describing the accountability to volunteers, all five managers specifically mentioned the initial NZQA registered training course that the organisation runs for all new volunteer tutors. Three also felt accountable to provide regular phone calls, ongoing training and teaching resources to their tutors. Two felt compelled to organise social gatherings for tutors to meet and support each other, and two mentioned furnishing them with information on issues related to their learners (e.g. settlement, immigration, English language). One gave petrol vouchers to volunteers and one sent flowers, cards on birthdays and a small gift at the end of the year. The moral obligation that managers felt towards their volunteers was captured in statements such as ‘we recognise and value them’ and ‘we try to take on their suggestions’. One of the interviewed felt a specific responsibility to individuals who wish to volunteer their time but do not have appropriate skills for the job. In this case,

the accountability to the learner takes precedence and the potential tutor is turned away. This also conflicts with funding levers that reward the number of new tutors trained. The manager remarked that 'it's difficult to tell them they can't do the job. I'm responsible to acknowledge the gift of time and the skills they do bring.'

The managers felt moral accountability to refugee and migrant English learners, including waitlisted ones, and to potential and actual volunteer tutors. In both cases the funding sometimes provides incentives for opposing behaviours, such as servicing a learner who is not ready to learn, or training a tutor who will not provide a good teaching service. In both cases, managers' described behaviour indicates that moral obligations prevail. Where the needs of learners and volunteers compete, there was evidence of learners' needs prevailing in manager decisions. The weighing up that managers do between the needs of learners and volunteers suggests guiding principles, values or the mission driving behaviour.

I note that the type of accountability described towards both learners and tutors is the responsibility to provide support. This is a different paradigm from accountabilities where one must perform or demonstrate results. Moral accountability is not imposed and regulated, but rather stems from a value-base and sense of one's service being needed. Where managers are asked to report on the activities of volunteers and learners, and therefore need to require things of them, a tension emerges. A specific example arose; that of requiring volunteers to report on the progress made by their learner.

From a pragmatic viewpoint, organising thousands of volunteers to provide reliable data on outcomes of their work appears insurmountable (and undesirable) for the organisation.

From an ethical perspective, the question arises how any volunteer can be held to account

by government for the benefits of work done on an entirely unpaid basis. This was summarised by one manager in a concern around the monetisation of voluntary work that seemed evident in funders' approaches. 'It's what they called professionalisation of volunteering and it aimed to recognise the work of volunteers. But the economic colonisation that has occurred in our work has far outstripped the benefits of volunteers being recognised.'

Managers have their own felt sense – perhaps deeply felt sense – of their support services to learners and volunteers being vital. Where a conflicting paradigm of accountability for outcomes (rather than for providing support) takes effect, managers are quite articulate about their discomfort, as seen in the above quote.

#### ***Accountabilities to committees (5)***

One respondent identified her committee in second, one in third and one in seventh ranking of groups they felt accountable to. One each mentioned 'volunteers' in second and third place, and on further questioning, both defined this to include committee members as well as volunteer tutors.

Managers report to the committees who are their legal employers. The committees are elected from the membership of each centre as defined in their constitutions. Committees generally meet monthly, have office holders such as chair, secretary and treasurer, and are always voluntary. These committees are ultimately liable for the operations of their centre. Committees are the major structural mechanism that makes the incorporated society accountable to its membership of learners, tutors and the local community. From four of

the managers' answers it can be seen that their primary 'structural' accountability takes a back seat to their moral accountabilities to clients and volunteers.

Once again, the interviewees felt accountable to their committees within a 'supporter' paradigm. Managers did not speak of duty to carry out instructions or fulfil their job descriptions as one might expect in an employer–employee relationship. All the interviewees described duties supporting committees to understand and carry out their own roles. Examples included providing information and writing reports, but extended to 'providing them with a sound knowledge base of their jobs' and even 'role-playing the meeting procedures'. Managers feel responsible for rather than to their committees.

Although no manager specified this, the perception of committees as 'out of touch' was uncovered in Kumar's study of NFP programme leaders (Kumar, 1997 in Cribb, 2005).

Whether or not managers feel their committees are out of touch, they displayed a seemingly altruistic sense of obligation to support committee effectiveness and little focus on reporting to them. Committees are part of managers' 'lateral' rather than 'upward' accountabilities (Christensen and Ebrahim, 2006).

#### ***Accountabilities to staff (3)***

This was mentioned by three managers in first, second and sixth rank. The two who did not list staff had no full-time staff. It is notable that this is a primary accountability for one manager. The manager who had by far the largest staff listed 'leading' and 'making sure everyone knows what they are supposed to be doing' as her first duties to this group. The other two focused on 'supporting', 'resourcing' and 'guiding' staff.

The differing approaches to staff management may coincide with a distinction between legal and moral accountability. The manager who put staff first was the one who described 'radiating circles' of accountability that 'starts with people and finishes with paper'. Putting staff first fits with a concept of strong lateral accountability (Christensen and Ebrahim, 2006), or a belief that through investment in the immediate circle, benefits will flow on to clients (Cribb, 2005). At the other end of the spectrum, the administrative demands on the manager with the most staff included dozens of performance appraisals per year and 'new employment agreements for all staff every year for the last three years' owing to several changes in the law. This is more in line with 'upwards' or 'legal' accountability – it is externally imposed and measures execution, not support or relationship building. The two different orientations to staff – legal (upwards) and moral (lateral) – coincided with the size of staffing responsibilities. It may be easier to create a collegial environment within a smaller team where legal and bureaucratic obligations are fewer.

#### ***Accountabilities to myself (1)***

One person asserted accountability to herself as her primary driver. I am fascinated by this response which could mean a number of things. It may imply high personal standards compatible with moral accountability. It may mean a lack of accountability to other groups. It might relate to a manager having to live with her own decisions, and therefore use her own moral guide in the first instance. This respondent spoke of 'doing the very best job I can' – a statement congruent with high personal standards and feeling highly accountable. This answer sets an important precedent in the research which I will return to in chapter six.



### ***Accountabilities to Government (5)***

The National Association at the time had a series of five funding agreements with the TEC varying in length from 2 to 20 pages and totalling \$3 million of income. These laid out objectives, outputs, indicators, targets and verification methods as well as aggregated dollar amounts in seven areas of achievement across five functions. Government funding agreements with the National Association are translated into performance and funding agreements between the national and local levels of ELPNZ. Tasks listed for this accountability included sending in financial and service performance reports (3), and ‘all those 101 documents’. These are manifestations of financial accountability.

Given the large reliance centres have on government funding (70-80 percent of income), it is possible to question why this accountability is not stronger. Cribb’s study of four New Zealand voluntary agencies revealed the same thing. Even those with a high reliance on government investment still did not prioritise this accountability. Cribb also describes this situation as “surprising” (Cribb, 2005, p187). Local centres do not display a strongly felt sense of financial accountability in the same way they feel passionately responsible morally to clients, volunteers and even staff and committees.

### ***Accountabilities to ELPNZ or National Office (4)***

Four interviewees listed this but using four different terms and one manager did not list the association. Obligations pertaining to ELPNZ were few, but included ‘maintaining a standard of quality’ that ‘upholds the reputation of the organisation’ (2). This is almost certainly a

moral obligation to co-member schemes, as no process presently holds schemes liable to one another. It included remaining within budget (1).

The National Association – through its National Office – allocates and manages government funding contracts with each of the member centres. Most managers were not able to distinguish between regulations from government and those that were from within the organisation's national body as they are harmonised in a single funding agreement. I was taken aback by this fact at the time of conducting the interviews. This to me was an indication of the lines between a non-government organisation and its government funder being blurry for member organisations owing to the use of a mix of funder and umbrella organisation KPIs.

#### ***Accountabilities to Community / other NFPs (2)***

One manager identified the broader community as a group to whom she was accountable. Specifically, she felt motivated towards other organisations in her networks in order to inform them of her service and to use their skills as well. 'Accountability to networks' in the community was mentioned in 8<sup>th</sup> place by one other person. This is another manifestation of lateral accountability, like the sense of obligation to other ELP centres, or to staff and committees, with whom one is working (Christensen and Ebrahim, 2006).

One manager described the operating environment with other providers as a 'divide and conquer' effect where providers that 'knew they should be collaborating' were 'looking at each other sideways' as they were competing for the same funds. The very two managers

who mentioned a feeling of accountability back to local provider networks identified uneasiness when faced with similar organisations on the basis of financial competition.

#### ***Accountabilities to other funders (2)***

I complete this round-up of accountabilities with a note about non-government funders. Centres that make use of philanthropic organisations spent much time generating firstly quotes, and later receipts by a due date for items proposed in an application. Four managers remarked on funders 'all having different requirements', with one manager reporting to 20 individual bodies (as well as to the National Association for government funding). Reporting issues raised included reporting the same activity twice where financial years did not align, providing hours of hospitality for funders who turned up for visits despite only providing two hundred dollars, and sometimes needing 3 committee members to sign forms in front of a Justice of the Peace on applications for similarly small sums. The funders' emphasis is on financial expenditure, or perhaps preventing fraud, rather than community benefit.

The financial mechanisms local funders often use to hold managers to account do not align with the goals of the NFP group and can lead to potential misunderstanding or general ineffectiveness of funds (Majumdar, 2004). Funders could overcome this by fostering an interest in the aims of organisations they fund. The not-for-profit organisations' role would be articulating these clearly and asserting mutually beneficial modes of cooperation (Majumdar, 2004).

Another individual described a funder with whom she had ‘a good, different relationship’. This funder ‘has a hands-off policy’ for managing the funds. Major differences were that organisations were not ‘tied down to a calendar year’, ‘you can change the purpose of your funding’ and that ‘they are encouraging a relationship built on trust’. By way of accountability, this funder organised a ceremony where all the funded groups presented to each other what they had achieved with their grant. This focus on building lateral accountability across a sector to improve outcomes, seems considerably more enlightened than the micro-management of dollars and cents described above.

### **Issues arising from the pilot study**

The pilot suggests that managers do not wish to be less accountable or do less work on the quality of their services and robustness of their operations. Their aims relate to a moral sense of the mission – to provide English language skills and social support for the effective resettlement of adult refugees and migrants in Aotearoa New Zealand. For them, this involves working with volunteers, staff, committees, and sometimes other sector agencies, to meet learners’ needs. Sourcing funding is a necessary strategy to support their work, but it is not seen as the work itself. Funders seem to display a lack of understanding of the centres’ goals and mission. From a manager perspective, this results in time wasting, reduction in volunteer good will, and attention drawn away from what they describe as ‘core business’.

Have managers got it right? A manager too focussed on her moral interests and not on sustaining operations could jeopardise the future of her organisation by underestimating

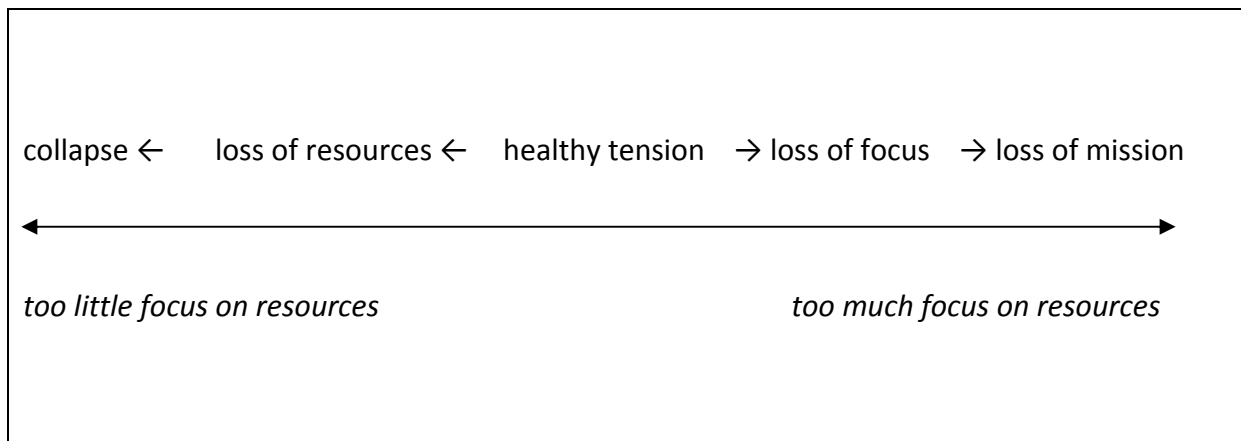
the importance of funding, and losing it. Alternatively, “bandwagon nonprofits” (Glasrud, 2001, p36) who are overly focused on acquiring funding may find their purpose unclear and their mission drifting. For service delivery organisations that require staff to run programmes, the “right stakeholder emphasis” must involve significant attention on funders and their needs (Kerlin, 2006, p390). “Finding the right balance between the multiple stakeholders ... is a critical task with important implications for the organization’s functioning and ... efforts” (Kerlin, 2006, p388). This seems to be a vital function of NFP leadership. Cribb agrees:

Walking the fine line between keeping powerful stakeholders happy and resources flowing as well as staying true to the organisation’s purpose of serving clients and communities is considered the key voluntary sector management challenge (Cribb, 2005, p58).

#### ***Balanced accountabilities?***

Leaders of not-for-profit organisations delivering services may have to cultivate a balanced accountability orientation. This weighs up moral accountabilities with a focus on resources. See figure 3A.

*Figure 3A Spectrum of organisational focus on resources and mission*



Further chapters develop this model as I look to leadership literature in chapter four and data collection and analysis in chapters six and seven.

## Summary

This thesis explores leadership and accountability in the NFP sector in New Zealand. In the previous chapter, I laid out background information sourced from literature and my own experience. In this chapter I have introduced specific expressions of accountability from two major perspectives: the measurement of a NFP organisation's performance through key performance indicators, and the manifestations of multiple accountabilities in theory as per the literature and in practice by ELP centre managers.

### *Use of KPIs*

In order to lead an agency, it is essential to know if your actions, programmes and initiatives are getting you closer to your goals or not. Appropriate KPIs are balanced, generate information of more value than the cost of taking measurements, and are designed with hard-to-measure aspects such as social outcomes in mind. Where they are used as a tool of hard accountability between groups, they need to be negotiated with an understanding of

differing 'ethical climates' (Rasmussen, Malloy and Agarwal, 2003) of the funder and the funded party.

#### ***Types of accountabilities***

I have also presented detailed information about the way experienced managers working at the local level of ELP understand their accountabilities. Managers described up to eight competing accountabilities they faced. Each had a strong sense of moral obligation towards refugee and migrant learners of English – the client group. This is downward accountability which is not imposed externally, and is driven by values rather than through formal regimes.

Other major accountabilities expressed by managers are to volunteers, committee and staff. All of these are also primarily 'moral' obligations. Even where there is a structural reporting hierarchy such as with committees, the managers' described notion of accountability was for providing support, rather than being answerable to these groups. These 'lateral accountabilities' were overall second to the downward one, but were generally seen ahead of the formal and externally required accountabilities.

Upwards accountabilities mentioned were to local funders and the government, through national office. With regards to philanthropic trusts and other local funders, reporting regimes were successful in the exceptional case where they built lateral accountabilities between funded groups across a sub-sector, rather than focusing on recording the use of money.

***Accountabilities and national leadership***

In my pilot study, I recognised the similarities between local and national challenges. I drew the following conclusion and called for further research.

In the same way that moral accountability to learners is pitted against financial accountability to funders in [centres], moral accountability to [centres] is pitted against financial accountability to government at the national level. Whether moral or financial (or some other) accountability dominates the national level of governance and management would be a crucial question for the organisation and could form the basis for further research. (Szabó, 2005, unpublished)

This question is explored in chapter six in light of data collected about my own role with relevant conclusions found in chapter eight.



## Chapter four: Leadership

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### Introduction

In this chapter I formally introduce leadership into the discussion. I provide a description of the body of literature available to the leadership reader, including an overview of some key historical schools of thinking on the subject. I note that previously prevailing theories focusing on the personality traits of leaders have been largely superseded, and that a variety of other models has risen in their place (Hogg, 2001). I next pose the question: what is leadership in the not-for-profit context? To answer this question, I present a range of leadership definitions and create my own one, which caters to the research context as outlined in chapter two and chapter three. I define not-for-profit leadership as the process whereby people in NFP organisations voluntarily initiate and support acts intended to progress their missions. This definition with its particular not-for-profit applicability, as well as results of its application to data in later chapters, is part of the theoretical contribution this thesis makes to the leadership literature.

In the second major part of this chapter, I consult the literature on how leadership in the NFP context can be effective. I canvass a broad range of advice about the mission, governance, staffing, working with clients, and partnerships within the sector. I address the research sub-question: what is effective not-for-profit leadership? This section reviews advice from the literature on effective leadership practice. I go on to theorise accountability – as explored in chapter three – in relation to this chapter's findings.

Conclusions and questions arising at the end of this chapter draw to a close the first half of the thesis focused on not-for-profit, accountability and leadership contexts in theory and practice. The reader is prepared for the second half of the thesis where I present the methods, results and analysis of original data collected for the research.

### **Writing on leadership**

Randomly selecting a range of library or web-based resources on leadership is likely to turn up several descriptions of how overwhelming the body of writing on leadership is (e.g. Jackson and Parry, 2008). The topic has relevance across a spectrum of differing academic preoccupations and has been studied “since the emergence of civilisation” (Bratton et al., 2005, p4). Historians (e.g. March and Weil, 2005), economists (e.g. Wallis and Dollery, 2002) and management specialists (e.g. Kouzes and Posner, 2007; Hamel, 2007) all find new ways to explain and question this greatly-intriguing topic. Multiple studies have been undertaken to understand and explain great leadership (e.g. Collins, 2001). Leaders themselves write on their practice, their experience, their insights and their stories (e.g. Kennedy, 1964; Welch, 2005).

Significant contributors to the books and periodicals on leadership include institutions such as Harvard Business School that offer leadership training and courses for professionals. No review of leadership would be complete without at least mentioning this writing which fills bookshops and libraries. Literature of this sort is characteristically more focused on professional application than advancing academic research. Although my study is solidly grounded in practice, non-academic texts – while possibly of interest to me and my work – are not a focus of my literature review.

### ***Historical understandings of leadership***

Thinking about leadership has changed over time and changes have often been influenced by which discipline is producing most of the writing on leadership at any one time (Hogg, 2001). Hogg, in his round-up of historical schools of thought on the subject, outlines theories that correlate leadership with personality traits (e.g. Kenny & Zaccaro, 1983). However, agreement among scholars has largely been that “personality alone is a relatively poor correlate of leadership” (Hogg, 2001, p185). This conclusion is a good example of the strong contrast between an everyday understanding of the term leadership, and the way academics use the word.

Other theories in the past have claimed that “almost anyone can be an effective leader if the circumstances are right” (e.g. Bales, 1950; Sherif, 1966 in Hogg, 2001). Fiedler introduced an ‘interactionist’ model whereby “the leadership effectiveness of a particular behavioural style is contingent on the favorability of the situation to that behavioral style” (Fiedler, 1965, 1971 in Hogg, 2001, p185). Under this model, emphasis is on a leader, the situation, and the level of fit between the two.

‘Transformational leadership’ on the other hand, is where a charismatic leader motivates followers to move beyond their own interests and transform their collective enterprise (e.g. Wilpert, 1995 in Hogg, 2001). ‘New leadership’ takes the charismatic aspect further, proposing that “effective leaders should be proactive, change oriented, innovative, motivating and inspiring, and have a vision or mission with which they infuse the group” (e.g. Bass, 1985 in Hogg, 2001, p185). In both ‘transformational’ and ‘new’ leadership, the major interest is the transactions between leader and followers.

Current leadership theories have two predominant academic underpinnings. Focus on behaviour stems from psychologically-driven approaches, while socio-cultural methods look at issues such as power, gender and social relations (Bratton et al., 2005). Leadership thinking over time has become more sophisticated. This is seen for instance, in the reframing of leadership from being the property of a person, to a set of transactions or interactions between leader(s), others and environments or situations. This shift in thinking, when put in an NFP accountability context, produces important possibilities I will explore in this chapter.

### **Defining leadership**

Despite the common use of the word 'leadership' in everyday speech, (or perhaps because of it) I commenced my formal investigation of the subject with no clear understanding of how to define leadership. I was searching for an understanding of leadership that supported both the academic and professional contexts of the research. For a starting point, I surveyed a range of management and leadership textbook definitions. Some authors had provided overviews of multiple definitions and added their own (e.g. Jackson and Parry, 2008; Yukl, 2006) and these were particularly useful. Then, following up on particular aspects that seemed relevant to the context of leadership enquiry (Ridley, 2008), I found articles and other more specialised treatments of the topic (e.g. Hogg, 2001; Wood 2005). Knowing the number of relationships and accountabilities that were involved in my experience with leadership at ELPNZ, I honed in on leadership definitions that could deal with this complexity. The definitions were coded by theme and the emerging themes are discussed in the next section (Attride-Stirling, 2001). See table 4.1.

*Table 4.1. The definitions*

Smircich & Morgan, 1982	Leadership is realized in the process whereby one or more individuals succeed in attempting to frame and define the reality of others
Richards and Engle, 1986	Leadership is about articulating visions, embodying values, and creating the environment within which things can be accomplished
Schein, 1992	Leadership is the ability to step outside the culture... to start evolutionary change processes that are more adaptive
Rost, 1993	...an influence relationship among leaders and followers who intend real changes that reflect their mutual purposes
Drath & Palus, 1994	Leadership is the process of making sense of what people are doing together so that people will understand and be committed
Hogg, 2001	Leadership is about how some individuals or cliques have disproportionate power and influence to set agenda, define identity, and mobilize people to achieve collective goals
Bass, 1990, in Hogg, 2001	...a dynamic product of transactions between leaders and followers
Burns, 2003	The key distinctive role of leadership at the outset is that leaders take the initiative
Wood, 2005	leadership is best understood as a <i>process</i> rather than as a property or <i>thing</i>
Wood, 2005	...a creative process which exceeds the logic of identity and opposition and within which individual social actors are only syntactical conveniences
Wood, 2005	...a complex field of heterogeneous combinations and novel alliances which cut across and beneath seemingly independent social actors... are a non-localisable synthesis of differences recognising the continual participation of constituent parts <i>within</i> each other... Leadership <i>is</i> movement, open and dynamic process
Wood, 2005	...a creative process of becoming
Bratton, Grint and Nelson, 2005	...a dialectical, proactive process wherein an individual persuades others to do something they would not otherwise do. Leadership is socially constructed through the interaction of leaders and followers within a specific context and is equated with power
Yukl, 2006	Leadership is the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives

Some definitions I chose were not deliberate attempts of their authors to define leadership, but were statements whose nature revealed their authors' understanding of what leadership is. For the sake of ease, in the following section, I refer to all examples as 'definitions' but the diversity of intent is acknowledged.

To progress my own definition I identified the 'what, who, where, when, why and how' of leadership according to the authors. Each example contained a number of these elements. As I coded and analysed the elements, a set of choices emerged for my own definition (Attride-Stirling, 2001). When asking 'what' leadership is for example, eight of the definitions described it as a process, and six did not. In this way, I found possible answers to each of the key questions which I then considered in light of the research context (Wadsworth, 1997). The choices are explained in the next section.

### ***What is leadership; a process?***

One of the clearest categorisations of the definitions was whether or not they treated leadership as a process. Eight specified that leadership was a process. The other six definitions referred to it as "ability" (Schein, 1992), a "relationship" (Rost 1993), the "product of transactions" (Bass, 1990, in Hogg, 2001, p185), or made no specification.

Conceiving leadership as a process is the central point for Wood's claim, that "leadership is best understood as a *process* rather than a property or *thing*" (Wood, 2005, p1103, original emphasis). His positioning of leadership is purposefully oppositional to "our excessive preoccupation with the psychological approach to leadership" (Wood, 2005, p1103).

Instead he draws on mathematical physicist and philosopher Alfred Lord Whitehead and contemporary Henri Bergson to generate his framing of the subject.

The advantage of defining leadership as “ability” or the “product of transactions” is that it is more readily locatable and recognisable. If leadership fails it is the ability of the leader that has failed, or that the transactions between leaders and followers were unproductive.

Schein’s definition however, would suggest that a leader with leadership ability is innately able to lead without reference to surroundings or context. This is at odds with the assertion that “[l]eadership is socially constructed” (Bratton et al., 2005, p24).

I am compelled by the case made in literature to describe leadership as a process. This dynamic and open framing of the subject leaves room for ongoing interactive relationships amongst people, as well as the influence of environmental and societal factors. I see strong links between the concept of process on one hand; and the ongoing shaping of NFP organisations in response to their own initiatives, the sector, policy and the societal issues as outlined in chapter two.

### ***Who is involved in leadership; leaders, followers, others?***

Definitions in the literature either implied the existence of ‘leaders’ and ‘followers’ or ‘others’; specified such groups or individuals; or prescribed that leadership does not happen at the level of individuals or groups. No definition was silent on this issue. The idea that leadership involves leaders is so obvious in an everyday sense that it is assumed in most of the literature. As a result, specifying the ‘leader’ is unnecessary. This assumption in the definitions was indicated through the choice of verb, as in “leadership is the ability to ...

start evolutionary change processes” (Schein, 1992). The words ‘ability’ and ‘start’ imply that an agent (leader) exists. Other examples of the implied leader include: “Leadership is the process of making sense of what people are doing...” (Drath and Palus, 1994), “Leadership is about articulating visions...” (Richards & Engle, 1986) and “Leadership is the process of influencing others...” (Yukl, 2006, p8). Alternatively, writers specify “leaders” and “followers” or “others” (Bratton, Grint & Nelson, 2005; Hogg, 2001; Burns, 2003; Rost, 1993; Smircich and Morgan, 1982; Yukl, 2006).

Wood proposes a radically different way of understanding leadership. He asserts that “social actors are only syntactical conveniences” (Wood, 2005, p1111). Individual leaders and followers have no place in his understanding of leadership. Rather it is “a complex field of heterogeneous combinations and novel alliances which cut across and beneath seemingly independent social actors...” (Wood, 2005, p1111). In this way, Wood sees leadership as a process that is “non-localizable” to people or groups, but the complex interactions of multiple shifting factors. “Leadership *is* movement” (Wood, 2005, p1118 original emphasis).

There is a spectrum in the definitions in understanding who is involved in the leadership process. At one extreme, the involvement of leaders and others is so instinctive that it is assumed without question. At the other end of the spectrum, leadership is not the domain of individuals, but they are simply one more layer in a ‘complex field’ of contextual elements (Wood, 2005). Although I recognise the contribution to theory of Wood’s arguments, a focus away from individuals as agents of leadership presents an awkward fit with the focus of the enquiry – the NFP chief executive. As such, I define leadership with people being explicitly involved and central to leadership processes.



***When does leadership happen? Intention as a signal***

In thinking about when leadership happens, the presence or absence of ‘intention’ is another critical distinction between the definitions. Intention is explained or implied in a range of definitions. Examples include that leaders “succeed in attempting to frame and define the reality of others” (Smircich and Morgan, 1982), leaders “set agenda” (Hogg, 2001, p188), and that leaders “mak[e] sense of what people are doing together so that people will understand and be committed” (Drath & Palus, 1994). Further definitions denote intention by using words such as “start” (Schein, 1992, in Yukl, 2006, p2), “facilitate” (Yukl, 2006, p8) and “persuade” (Bratton, Grint and Nelson, 2005, p24). The importance of intention is suggested by Burns where the “key distinctive role of leadership at the outset is that leaders take the initiative” (Burns, 2003).

Intention adds something useful to the definition; it is potentially observable in that it may be able to be determined from the act itself, or by confirmation from the actor. A question is whether the act of following should also only be defined in terms of intention. If this were the case, leadership would only have occurred when a leader intends for there to be an outcome that involves others, and they in turn choose to give support. The advantage of this additional aspect to the definition is that leadership can then be distinguished from the exerting of power or perceived power (‘follower’ has little or no choice, or perceives this to be the case), the use of manipulation (‘follower’ is unaware of making a choice, or feels he has no choice) and influence (‘leading’ may be unintentional, as may ‘following’).

This framing of leadership has strong connections with the concepts of the voluntary sector, where both leadership and ‘followership’ are voluntary acts motivated by a shared belief in

the work (Zappalá, 2000). The multiple steps in leaders and followers all choosing to act is also in line with the framing of leadership as an ongoing process among various people.

### ***Why engage in the leadership process; outcomes, products, goals?***

Leadership is largely seen in the literature as having an outcome. This theme appeared in most definitions. At its most basic level, leadership happens to the extent that “things can be accomplished” (Richards and Engle, 1986). In an extended example, the accomplishment relates to a group of people who will also “understand and be committed” (Drath & Palus, 1994). A further step is where leadership results in getting people “to do something they would not otherwise do” (Bratton et al., 2005, p24).

The goals of leadership may also have provisos. According to some definitions, goals need to be “mutual” (Rost, 1993, in Jackson & Parry, 2008, p15), “collective” (Hogg, 2001, p188) or “shared” (Yukl, 2006, p8). This works in concert with the notion that leadership occurs when leaders and followers all consciously choose to initiate or support a direction, as described above. Importantly, in the not-for-profit environment the concept of mutual, shared or collective goals closely parallels the concept of mission (Gatenby, 2004).

### ***Where is leadership; people, contexts, environment?***

Some of the location of leadership has been touched on in the discussion above about the people involved, and their relationships or transactions. Context also features to varying extents in the definitions as outlined above. Examples include reference to “environment” (Richards and Engle, 1986), “culture” (Schein, 1992), and “power and influence” (Hogg, 2001, p188). All these framings of leadership depict more than isolated individuals

transacting. The strongest example explains that leadership “is socially constructed ... within a specific context” (Bratton et al., 2005, p24). The process of leadership is intimately involved with social and environmental constructs. In this inquiry, these constructs are the organisations, umbrella groups, sub-sectors, policy environments and international contexts of NFP activities as outlined in chapter two.

### ***How does leadership happen? Tactics, strategies and ways of being effective***

There are many examples in the definitions of ways to enact leadership, such as to “frame and define the reality of others” (Smircich and Morgan, 1982), “articulating visions, embodying values, and creating the environment...” (Richards and Engle, 1986), and “making sense of what people are doing together” (Drath and Palus, 1994).

There is an intrinsic appeal to the concepts of sense-making, framing realities, embodying values, and creating an environment, as examples. However, I note a tendency in the literature to define a particular view of ‘effective leadership’ as opposed to ‘leadership’. The authors have an interest not only in establishing the makeup of the phenomenon, but also to present a view on how that phenomenon optimally works. However, given that scholarship has increasingly recognised the importance of followers, transactions, situations and environments, I expect ‘how’ leadership works well to vary. An American president leading his people using television broadcasts to millions of people will require different strategies from a New Zealand NFP leader running a community service organisation. In the part of this chapter that follows after my definition, I provide in-depth discussion of the ‘how’ aspects of leadership by drawing specifically on NFP leadership literature. The definition of leadership I now present expresses the ‘what, who, when, why, and where’.

## **Definition of leadership for this thesis**

***Leadership is the process whereby people in NFP organisations voluntarily initiate and support acts intended to progress their missions***

The key elements in the definition are: process, people, intention and choice, mission, and NFP organisational context. I have chosen not to outline 'how' leadership should happen, in order for it to be leadership.

## **'How' aspects of not-for-profit leadership**

The first half of this chapter has contained an overview of the scope and history of the leadership literature, and culminated in a definition of leadership that caters to the specific not-for-profit context of this thesis. In the following section, I review advice in NFP literature on how effective leadership can take place. The way leaders such as CEOs use the mission and business skills, and how they work with staff, boards, clients and other parts of the sector are all described. This section is followed by a discussion of NFP leadership and accountability.

## ***Using the mission***

Whereas a mission statement is akin to a strategy in a business setting, it is the reason for existence in the not-for-profit arena. It is argued to have power as a "'cause' that is sought to be served" by staff, volunteers, and even funders (Thiagarajan, 2004, p39). The use of the mission within the leadership process is said to give access to good will and commitment.

Thiagarajan argues for “missionary leadership”. This is “the process whereby a leader uses the inherent power of the mission to attract highly committed individuals who want to serve the cause and then enables them to derive satisfaction from such service”

(Thiagarajan, 2004, pp39-40). The mission was identified in chapter two as a defining aspect of NGOs; and where there are common interests, a mission makes links within and across organisations creating sub-sectors. Another “inherent power” of the mission was identified in chapter three in that NFP organisations “hold themselves accountable to their own core values, mission, and standards of performance” (Kerlin, 2006, p388). The mission is the ‘why’ of NFP leadership, and a feature of NFP accountability. Using the mission in leadership and accountability is effective in two ways. It is a tactic to create commitment and satisfaction. Ultimately though, it is also the yardstick by which effectiveness can be measured as it represents the purpose of the NFP.

In reality, NFP leaders are warned not to “think mission... but actually do politics” as can commonly happen (Wilcox, 2006, p22). Certainly I have experienced politics within NFP organisations, particularly regarding the question of power and autonomy of individual organisations and leaders. In chapter two I relayed the example of ELPNZ National Office setting key performance indicators (KPIs) for centres’ funding agreements. In working on this task I started to recognise the possibility of using accountability mechanisms such as financial contracts to build power and control – under the auspices of the mission. This action, should it be taken, would not fit the definition of leadership provided in this chapter as it does not involve acts which are voluntarily supported.

### ***Business acumen***

I have outlined in chapter two the increased skill sets and business knowledge that NFP leaders have been required to have over the last few decades, both in New Zealand and abroad, as funding and accountability contexts have changed. The need for an appropriately business-like approach often requires instigation specifically from the chief executive whose role it frequently is to bring professional knowledge to an otherwise primarily voluntary organisation (Bateson, 2008).

Too strong a focus on mission, while enlisting a passionate response from supporters, may not be effective or efficient if not coupled with managerial skill and business knowledge. The balancing act between heart and head “may be the single most important factor for success” (Bear and Fitzgibbon, 2005, pp 87-88). Bear and Fitzgibbon (2005) also provide a diagrammatic spectrum of NFP leaders’ roles and focus, where mission/passion is at one end and business details are at the other. The concept of a spectrum between mission and business detail ties in with the NFP sector dilemma discussed in chapters two and three; to frame one’s own goals and protect the “soul” of the work (Leach, 2009), or to focus on professionalising services and conforming to standardised reporting measures to generate funder confidence (Campbell, 2002). Ultimately, the CE must find an approach to both these challenges.

### ***Leadership, boards, staff and clients***

CEOs are also advised to strike another balance. This is between operations; mainly the domain of staff, and governance; their work with the Board (Bear and Fitzgibbon, 2005). An interesting result from the ELP manager cohort was their relationship with their

committees; one of providing support rather than the upward accountability more typical of employer-employee relationships. This could be largely explained by Bateson's view above that the managers are bringing a professional background to an otherwise voluntary group. On one hand, the CEO needs to bring business acumen to others in the organisation. On the other, over-utilisation of a managerial approach with Board members could conceivably upset the reporting hierarchy within the organisation and cause dysfunction.

The relationship that NFP CEOs have with staff is also complex. In chapter three I presented different views of leaders' accountabilities to staff. One view was that staff report to the manager and accountabilities related to being a good employer. Another view was that the leaders' accountability to clients and volunteers was through the staff, and so staff represented the primary accountability orientation. In any case, working with staff and boards in NFP organisations requires particular skills. This partly relates to the "confluence" that NFP staff and volunteers are said to be seeking between their work and their lives (Smith Orr, 2004, p262). The risk is that when people do not find the "meaning" they are looking for, there is a higher chance of "disillusionment or burnout" (Smith Orr, 2004, p269).

As well as monitoring the balance between their orientation towards staff and Boards, NFP leaders are warned of over-listening to such groups, as opposed to hearing "constituents" or clients (Wilcox, 2006, p22). Three of the five managers in the accountability pilot study thought clients to be the primary accountability. In the case of a national CEO, the distance between leader and client makes listening to this group particularly complicated. Where clients have barriers to communication such as language learners at ELPNZ, accountability to

clients is further complicated. How a national NFP CE's accountability to clients manifests is a question for the second half of this thesis.

### ***Leadership and the sector***

With regards to other groups in the sector, organisations should maintain their “altruistic intent” (Smith Orr, 2004, p269), particularly in the face of competition for resources. Policy and funding changes to the resettlement sector and the adult and community education sector were outlined in chapter two. In my experience, the subsectors' reactions to government action – whether favourable or unfavourable – has been largely characterised by maintenance of “altruistic intent”. ELP managers in the pilot study noted a sense of responsibility towards other community organisations, including those with whom they compete for money. This strong sense of lateral accountability was boosted in the case where funders brought groups together to discuss what they had achieved with their funding, rather than a focus on financial control. Not all funders work this way however. For the NFP CE, maintenance of altruistic intent may require voluntary initiation and support of collaborative sector relations despite a competitive funding environment.

### ***Effective not-for-profit leadership***

Amongst all the advice available to NFP leaders, a focus on the mission tempered with professionalism, business acumen, and the ability to hear constituents, seem to be key points. I believe the most succinct summary I have discovered in the literature of how leaders ‘should’ negotiate the maze of the NFP world is the following:



...any... nonprofit... must achieve a fit with its environment. Targeting a niche in which it can provide something of value to constituents that will be supported by funders, and that does not duplicate what others are already doing well (Chetkovich and Kunreuther, 2006, p58)

Beyond this statement, I would add that the overall effectiveness should be judged against the mission (Gatenby, 2004) to which the NGO is accountable (Kerlin, 2006).

### ***NFP leadership and accountability***

The accountability literature and data in chapter three strongly reinforce the NFP leadership literature presented in this chapter. A key point regarding leadership is that it is not best understood as a trait but as a process involving others and particular to environments.

What happens when we apply this to accountability? In my early data from ELP managers, I noted varying accountability orientations of different individuals: to learners, to staff and to 'myself'. Should these orientations be considered traits of leaders? Does each manager operate from their described paradigm all the time? Perhaps accountability orientation is behaviour rather than a personal quality. If so, this behaviour may be a habit or a choice. Do some leaders learn multiple kinds of accountability orientations depending on the situation, the group of people or the goal?

A spectrum was presented in chapter three (figure 3A) that noted too much focus on resources on one hand, and too little on the other. Both resulted in collapse. However, if I posit a behavioural approach to accountability, do the linear concepts of 'spectrum' and 'balance' give way to more dynamic possibilities?

### Summary

This chapter has looked at the historical views of leadership and noted changes in thinking over time. The movement away from a personal trait-oriented view of leadership towards a conceptualisation of a dynamic process has been a key development in leadership scholarship.

I have defined leadership for the purposes of my study as the process whereby people in NFP organisations voluntarily initiate and support acts intended to progress their missions. In order to be effective, leadership in NFP contexts should ensure the organisation fits its environment, garners support from funders, offers something valuable to clients and works in harmony with existing sector initiatives. The effective NFP leader is said to be able to balance passion and business, volunteer and staff relationships, client and other voices, strategic governance and operational management. As I apply findings from leadership literature to the picture of multiple not-for-profit accountabilities, new ideas arise about behavioural or situational approaches which will be explored in the upcoming chapters.

## Chapter five: Method

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### Introduction

The thesis sets about answering the following research question: how can NFP CEOs lead their organisations effectively? So far, I have explored in some depth the concepts embedded in the research question. I have presented views of how the not-for-profit sector and its organisations can be understood from a practitioner perspective as well as investigating views drawn from reports and literature on the sector (chapter two). The nature of the role of CEO has been foreshadowed in the history and analysis of an organisational case study (ELPNZ), and the results of five interviews with local level ELP managers. The multiple accountabilities of NFP leaders, the varying ways in which they are conceived and manifest, and the notion of balanced accountabilities, have been reviewed both in the literature and in a pilot study (chapter three).

I have argued leadership to be a process; one that within a not-for-profit arena requires the voluntary participation of leaders who initiate, and others who support acts – which are intended by all participants to progress their mutual goals and ideals embodied in the mission. I have noted developments in leadership literature away from an emphasis on personality traits of leaders, and towards a focus on situational and contextualised group processes. I have raised the possibility of NGO leaders conceptualising their competing accountabilities as situational, and requiring different behaviours, relationships and strategies.

With the background fully prepared, I now set about the task of data collection and analysis. I zero in on how NFP CEs, myself included, *actually do* negotiate their accountabilities and lead their organisations – and what behaviours and frameworks might be effective. This chapter examines methodological issues and options, and discusses the two research strategies I use: keeping a set of autoethnographic research journals on my own work, and conducting a series of interviews with four other NFP chief executives. I argue that these research strategies produce valid and useful data; the basis for drawing specific conclusions that make a contribution to both NFP leadership theory and practice. I provide information in this chapter about ethical issues that arose in collecting and presenting the data, and how I dealt with these. Results and analysis of the two rounds of data collection will be presented over the next two chapters.

A key methodological question for my work as a practitioner, researcher and research subject is that of the validity and value of practitioner research. The next section canvasses contrasting views on practitioner research and explains the validity of my research design.

### ***The validity of practitioner-led social research: two views***

There is divergence on how to appropriately treat the values and experiences of participant researchers. My thesis looks at the conceptions CEs use to navigate accountabilities and lead. This is personal and experiential in nature. I have attributed value to the experience and approaches chief executives have developed working in a particular context, and seek to uncover these through journals and interviews. This relates to Henn et al.'s (2006) report of feminist methodology which “uses ... experiences as a significant indicator of the ‘reality’ against which hypotheses are tested. Thus there is a shift from the ‘context of justification’

(the importance traditional social science places on the validity and reliability of research methods) to the 'context of discovery'" (Henn et al., 2006, p32).

Gomm (2004) may beg to differ. He provides a treatment of practitioner research advocating for separation of researcher, researched and practitioner. In his words

[a]pplying the term 'research' to what would otherwise be called social work, or nursing, or community work, or teaching, turns what practitioners would ordinarily do as practice into research. This usually turns out to be research which looks very much like practitioners doing their thing and studying it at the same time. ... Very often the desired results are in terms of learning for professional development ... and/or improvement in the organisation where the research was conducted ... rather than the production of findings for widespread dissemination (Gomm, 2004, p292).

Interestingly, Wadsworth also comments that social research "sounds very much like what most people do all the time in everyday life – and that is precisely the case" (Wadsworth, 1997, p6) but she means this as a description rather than critique. Gomm's perspective makes me question whether my research is simply an attempt to turn what I "would ordinarily do as practice into research". All the elements of my research can be seen in my practice. I do read studies and journals in the course of my job. I reflect frequently. I talk to other CEOs and think about what they say. I write papers for dissemination throughout, and occasionally beyond the organisation. However, there is no other example in my practice as CEO where I have systematically followed a specific question through years of reading, writing, seeking feedback, journaling and interviewing. Neither the level of formality and

rigour, nor the level of theoretical insight produced by my research has ever resulted from my day to day practice outside the production of this thesis.

I believe that this piece of research is valid according to both Henn et al. and Wadsworth on one hand, and Gomm on the other. It operates within a “context of discovery” using “experiences as a significant indicator” (Henn et al., 2006, p32), it does have similarities to what I do all the time (Wadsworth, 1997), but it is also concerned with the “production of findings for widespread dissemination” (Gomm, 2004). Although I expect my results to positively impact on my practice, my professional development and my organisation, I equally expect them to be relevant to other not-for-profit chief executives, their boards and funders, their umbrella and support organisations, and those that train or coach them. Furthermore, the research contributes new data, new analysis, and answers to specific questions that will be of value to those theorising about not-for-profit leadership and accountability. “Value” or the extent to which a theory is “useful and important” is said to be the “primary form of validity in interpretive and critical theory” (Littlejohn, 2002, p31). My findings hold “value” and could be ‘useful and important’ to the groups I have listed above.

The following section locates my study within qualitative and social research, explains my choices to borrow from action research and autoethnographic techniques – particularly reflective journaling, and to use semi-structured interviews.

### **Qualitative research methodology**

I use qualitative methods in my data collection reflecting the creative judgement, rather than precise measurement, that the research requires. This links with an interest in the

“essence and ambience” of the CEO’s work in leadership and accountability, rather than “counts and measures of things” synonymous with quantitative research (Berg, 2001, p3). In some research contexts, valid and reliable research is that which would produce an identical result if repeated. This is however not usually the goal of qualitative research. A starting point in the study is that my own experience and that of other CEOs provide legitimate and useful information which synthesised, has the potential to open up new possibilities for understanding leadership and the NFP CEO role. Multiple legitimate views “are seen as each having important things to say” (Tolich and Davidson, 1999, p6).

### ***Social research***

There have been attempts to describe a discipline within research referred to as “social research” (Gomm, 2004, Henn et al., 2006). The overall definitions of social research include “a process which begins with people having reasons for asking questions, then setting about getting answers to them” (Wadsworth, 1997, p6), and a process where we “seek to account for the behaviour we are interested in, or in developing new insights – or constructing new theories – to help build up our understanding of the processes behind this behaviour” (Henn et al., 2006, p7).

There seems to be agreement that within social research, there is a set of research norms to be followed. Wadsworth notes that research is located within issues of social concern, that the goal is to develop “useful shared understandings” and that there are extant structures to be used and followed (Wadsworth, 1997, p.17). Henn et al. agree “that research is not an arbitrary activity, but follows certain rules and procedures” (Henn et al., 2006, p9). As stated above, my research is not a simple extension of, or mere writing about my work. Formal

journaling and interviewing processes (described below) provide rigour to data collection and analysis.

### ***Action research***

A specific methodological school that recognises the social context and practical nature of some social research questions is action research. There are some aspects of this research that have an action research approach, although I do not class my research design this way overall. Action research draws on a broad range of approaches including reflection as well as theory (Reason, 2001). For action researchers, social research studies are likely to be initiated in order to solve an ongoing problem within an organisational setting, or a particular work place (Reason, 2001). My choice of keeping autoethnographic research journals where I write retrospectively about acts of leadership, fits with the reflection aspects of action research. I can identify shifts in my thinking and practice which have occurred as a result of the pilot study, and shaped later parts of the research design – a cyclical approach not dissimilar to action research. Overall however, action research generally has participatory and democratic aspects to its design (Reason, 2001) whereas I do not involve other decision-makers in the research. As I am an insider (Patton, 2002) of the group whose perspective I am studying – the NGO leader or NFP CEO – I have chosen an autoethnographic approach based on reflective journals as well as interviewing other CEOs I know and work alongside in my job.

### ***Ethnography and autoethnography***

“From humble beginnings, the use of autoethnography in organisational research is increasing” (Parry, 2008, p126). My research question investigates how CEOs can negotiate



concepts – specifically notions of accountability and leadership – in a way that is effective; that is, it advances their missions. Much of the answer to the question lies below the surface of CEOs perceived roles and individual actions. The issue lends itself to ethnography, as “[p]eople’s behaviour can only be understood in context; that is, in the process of analysis and abstraction, the ethnographer cannot separate elements of human behaviour from their relevant contexts of meaning and purpose” (Boyle 1994: p162). Techniques include the interpreting of an interaction such as an interview, in conjunction with knowledge of the context of the subject and of their role typification such as CEO (Tardi, 2008).

In the case of my research, I am not only familiar with the context, but in fact a member of the target group of the research – not-for-profit CEOs. I draw out my own experience in the first instance (chapter six), then expand and test findings with a wider group (chapter seven). My viewpoint does not purport to be neutral or detached. On the contrary, I deliberately use my experience and as “the ethnographer, become a major research instrument” (Spradley, 1980, pp71-72).

In my study, I am intrinsically linked to the role, the case organisation, the sector culture and the leadership landscape I am researching. Autoethnography has been proposed as a method that can “illuminate the relationship between the individual and the organisation in a way that crystallizes the key conceptual and theoretical contributions” the case has to organisational theory (Boyle and Parry, 2007, p185). It does this in two ways. Firstly it can connect the “everyday, mundane” world of the workplace with broader “political and strategic organisational agendas”. Secondly, the “autobiographical and retrospective”

nature of the method can “illuminate the tacit” aspects of organisational life, such as relationships and emotions (Boyle and Parry, 2007, p186).

One of the ways that ethnographers and autoethnographers are recommended to collect data is through journaling (Spradley, 1980). This can be useful when reviewing a series of events and looking for patterns (Hay, 2007). My journaling choices are explained in the following section.

### **Journaling**

I kept a set of research journals on my own role as CEO of ELPNZ in August and September 2008. By putting aside in my diary an hour before work once a week for six weeks, I recorded a variety of tasks and activities aimed at opening a window into my role, my interactions and my “mindscape” (Sergiovanni, 1991). I created six questions to answer with reference to a leadership issue of my choice from that week. In fact, I asked myself to ‘choose an example from the week where I may have had an impact on some aspect of the organisation’ and then write my reflections on the questions. After the first journal entry I added two further questions. These later additions sought to identify my “theories-in-action” (Schön, 1983), or the underpinning ideas and philosophies guiding my work in tacit way. A total of six incidents were recorded in this way. The results and analysis are provided in the following chapter. For the questions, see figure 5A.

*Figure 5A Journal questions*

Choose an example from the week where I may have had an impact on some aspect of the organisation:

- 1 What did I want to do?
- 2 Why did I try to do that?
- 3 What did I actually do?
- 4 What did others do OR what might others do and how might I know?
- 5 Did it work?
- 6 Did I learn anything?
- 7 What theories of leadership (implicit and or explicit) were guiding my actions?
- 8 What theories of leadership (implicit and or explicit) are guiding my reflections?

The questions asked encompass three kinds of reflection proposed for the reflective practitioner (Loughran, 1996). Some of the questions required “retrospective reflection” (e.g. 1, 2, 7); number 5 and 8 call for “contemporaneous reflection”; and “anticipatory reflection” is required for question 6 (Loughran, 1996, p21). The questions were designed to create a reflective experience that was a “purposeful, deliberate act of enquiry into [my] thoughts and actions” (Loughran, 1996, p21). It not only sought to understand what I did to lead my organisation, but also what “mindscape” was behind the visible decisions and behaviour (Sergiovanni, 1991, p12).

An important aspect of the analysis of the journals was the elapsing of time between journaling and rereading the entries. Different issues became relevant to me as my own context changed, as I gained experience, as I prepared other chapters of the thesis, and as “emotional distance had been established” (Riad, 2008). When I created the journal

template for example, I had not completed my work defining NFP leadership. As a result, not all six of the instances I chose to write about fit the leadership definition I subsequently produced. It is possible to see how my own leadership “mindscape” (Sergiovanni, 1991) was changed through reading and writing, and this has changed how I view my practice.

When I first looked at the incidents, initially I was interested in my own individual ‘acts’ of leadership and what they could reveal about the kind of leader that I am. This linked with the academic literature that I was reading at the time which related to leadership and identity, leadership and gender, leadership and youth, and values-based leadership.

However, ten months after the journals were written, I read them and again and became interested in the process of leadership in my organisation. This related to my reading about definitions of leadership which predominantly focused on a process that occurred among groups of people. Later again, I analysed the journals to see the appearance of other actors. My interest in the accountability landscape had been reignited having read more academic literature and re-edited chapter three.

With each new emerging interest, there were equally aspects of the journals that I chose not to focus on. With the power of hindsight, I occasionally cringed at the writing and was amazed at the emotional world I had been occupying. In this way, the journals have also acted as a benchmark for my own learning. As Schön notes, “background learning absorbed... may become evident only when a student enters a new context where she sees what she has learned as she detects how different she is” (Schön, 1987, p168). I have a cautious optimism about “how different” I might be from some examples of my reflections in the journals.

While the act of journaling did not create ethical issues for others, a range of stakeholders appeared in the journals. Ethic considerations arose for the presentation and inclusion of data in the thesis. These are discussed later in this chapter under 'analysis of journal and interview data'.

A key part of using journaling as a research methodology has been deciding what to do with the journals I had created. As explained above, what seemed relevant about them changed over time. In terms of an approach to analysis however, I had written answers to open-ended questions that I could treat as per the semi-structured interview notes I created from my second data round. Following the up-coming section on interview design, I discuss the analysis of data both from the journals and from interview sources.

### **Interviews**

I embarked on a series of four semi-structured interviews with other CEOs of government-funded, service-delivering, national, NFP federations. I aimed to generate data that could be analysed alongside my own journaling, in an effort to uncover more and different views and approaches to NFP leadership. The interview subjects I chose were known to me and I had an existing relationship with each. In this way there were elements of ethnography in the choice and nature of interviews however, interviewing "differs from ethnography in not including long periods of researcher participation in the life of the interviewee" (Reinharz, 1992, p18). I used open ended questions that allowed for some level of structure and comparison across interviews while also drawing out rich discussion.

My wish was to explore models and frameworks that CEOs use to negotiate their accountabilities and lead their entities. Semi-structured interviewing "explores people's

views of reality and allows the researcher to generate theory” (Reinharz, 1992, p18). I was also interested in variations to the approaches between the interview candidates. “Open-ended research produces nonstandardized information that allows researchers to make full use of differences among people” (Reinharz, 1992, pp18-19). I had the opportunity to shape the interview to some extent as I went along, acting not merely as observer, but constructing the data throughout the interview (Charmaz, 2006).

I asked each of them details about their organisation and how they saw their sector; how they saw their role including how they judged success; how change and leadership work in their organisation; and about accountability including accountability to clients and staff. Full questions are in the appendix within the human ethics approval form from Victoria University.

Presentation of information in the thesis is designed to protect the identity of organisations and individuals in the CEO cohort. Further ethical issues to be considered in the undertaking of the interviews were about the work relationship I have with each CE and the possibility that the CEs would consider my questions to touch on commercially sensitive information. When I approached each prospective interview subject about participating in the research, I was at pains to explain that it was in my student researcher and not sector colleague capacity I was requesting to interview individuals. I explained both in advance and at the opening of the interview that any information shared, or the decision not to share information (or participate at all) would have no impact on the relationship between either the two of us as CEOs or the two organisations. With regards to commercially sensitive information, it is possible that CEs limited their answers to some questions on the basis of it

being a business secret, however this did not have ethical implications as it would have been at the discretion of the candidates. For further information on how ethical issues were dealt with see also the information sheet (appendix two) and consent form (appendix three) that were granted human ethics approval, given to and signed by the interview candidates.

In the next section, I explain how the organisations and individuals were selected. In explaining the choice of organisations and people to interview, I also explore questions of validity across the New Zealand not-for-profit sector. I introduce criteria that limit the full sector (97,000 organisations) to a context within which the results and conclusions can be meaningful and have value.

### ***Choosing the organisations***

While the research draws deeply on experience within one sector agency, lessons and findings can be considered relevant for a range of other organisations. The choice of organisations for the interviews both uncovers information about – and further influences – the cohort to whom this research is most relevant. In chapter two, I already narrowed down my definition of the sector. I stated there that when I use the term “New Zealand not-for-profit sector” in this thesis, I am thinking of groups that are organised, private, not profit-distributing, self-governing and non-compulsory (Sanders et al., 2008) as per the International Classification of Non Profit Organisations (ICNPO). I also am thinking of those that provide services (Salamon, Sokolowski and List, 2004); and organisations that are mission-driven (Gatenby, 2004).

There are four divisions that are not apparent in ICNPO which I would like to introduce: being funded, employing staff, operating in a sector where government takes a role, and

having a membership structure. This set of qualifiers is designed to bridge the gap between the NFP sector in major reports and policy, and the one I experience in practice. The parameters zero in on organisations that are likely to have a comparable accountability environment and set of leadership challenges to that of ELPNZ. They are also the organisations that will draw most benefit from models and theories deduced from the ELPNZ environment. Each of the four prescriptions is discussed below.

The Sanders et al. study of the NZ NFP sector included unincorporated groups that were not legal entities. They still fitted the description 'organised' in that they had a structure and undertook regular charitable activity. 'Unincorporated groups' is a category enlarged in New Zealand owing to the inclusion of indigenous structures e.g. tribal or 'iwi' groups (Sanders et al., 2008). It also extends to things like walking clubs which may meet regularly and have some sort of organised structure. But not even the largest and most formal of the unincorporated groups included in the Sanders et al. study are able to engage in contracts for funding as they lack the requisite formal entity status. Further, many organisations that do have legal status do not have financial activity nor are set up as tax-exempt bodies. Managing finances, or not, is an important distinction between ELPNZ and its subsector partners on one hand, and these groups on the other. The scope of activity and in particular, the accountability environments are not comparable.

A related issue is that of employing staff. Of the 97,000 NZ NFP organisations operating in New Zealand, 90 percent do not employ staff at all (Statistics New Zealand, 2004). Employment is governed by a set of laws and regulations that vary dramatically from the legislative environment of volunteering. Relationships with staff and volunteers are



predicated on different expectations – most obviously with regards to payment – but also intrinsically (Derby, 2001; Zappalá, 2000). It is to this smaller sector that my set of questions on leadership and accountability will relate to.

Another distinction within the service-oriented organisations category is whether a group operates in spheres where the government traditionally plays a role. Government can be the main player such as in justice and health; or can be one of the key players where the market fails such as housing. NFP entities working in a government-occupied sphere bear a critical resemblance to ELPNZ and other groups in ELPNZ's sub-sectors. Organisations in a government-occupied realm contrast starkly with those in categories where government does not usually play a role, such as religious groups, recreation (sporting) organisations or associations for particular professions. The set of relationships with government, and with Crown-owned institutions and entities (e.g. universities, hospitals) is a specific social context. Organisations that are both delivering services and are operating in a government-influenced sphere are likely to be competing for, and potentially receiving government funding.

A final area to consider is that of structure. Some NFP organisations have a unitary structure such as trusts; and some are associations with organisations, individuals, or both as members. The leaders of a federation of organisations which receives funding for services (such as ELPNZ) have accountabilities to service recipients, member organisations which are not-for-profit and non-governmental, and funders who may be government. This is a specific accountability and leadership environment. Data presented in figure 2.4 in Chapter two showed umbrella groups and alliances that ELPNZ belonged to. I am aware that the 22

member organisations of ELPNZ hold formal memberships of other groupings, as demonstrated in their other (non ELPNZ) income and in their subscriptions paid to and costs shared with other organisations. Although I have not been able to determine the number of federations that have funding, employees and provide services in a government-influenced sphere, this phenomenon is common within my subsectors, at the very least.

The four elements outlined above – financial activity, employment of staff, delivering services within a government-influenced sphere of life, and a membership structure – create a distinct category within the broader not-for-profit sector. Organisations conforming to the criteria are seen to have relevant insights for my organisation's accountability and leadership questions, and as potentially benefitting from an investigation of ELPNZ's leadership and accountability. These criteria formed the basis of decisions regarding organisations from where I drew interview subjects.

### ***Choosing the specific people to interview***

Having narrowed down the kind of organisation I was looking for, I generated a list of organisations I knew to conform to the criteria. This was enlarged slightly after informal conversations with others in the sector. Notes from this part of my research reveal a list of 17 organisations. Next, I gave particular thought to the people I would interview.

In line with the research question and consistent with my journal, I continued to focus on CEOs. I decided and chose people I knew personally, and who I knew – on the basis of having worked together – would have important and interesting insights. Picking those I knew enabled me to conduct the interviews from a higher level of shared understanding underpinned by existing relationships. Although familiarity increased the importance of

explaining the capacity I was interviewing the candidates in – researcher, not sector colleague – the existing relationships obviated the need for extensive rapport-building or time spent establishing trust as in a new relationship (Charmaz, 2006). A common set of language and experience existed. This shared history, alongside the list of similarities in our organisations, meant that we could use sector jargon and in-house terminology, I could probe beyond the obvious interpretation for a deeper explanation, and I could seek explanations for differences between CEOs' answers and my own experiences or expectations. Inevitably, some CEOs may have considered issues of commercial secrets, or trust, as they divulged things like their biggest challenges or their sense of accountability. Overall however, the choice of CEOs enabled the interviews to be rich data-gathering sessions that provided valuable insights into a range of experiences and underpinning philosophies.

I settled on four candidates who I knew, knew to be insightful, and whose organisations fitted the criteria. All of the CEOs had been in the workforce for decades. Two had worked very extensively or exclusively in NFP organisations for their careers, and two had primarily come through other sectors. They had been in their specific jobs for 19 years, 6 years, 5 years, and 6 months. I have been in the workforce for just over one decade, including 5 years at ELPNZ of which 4 were as CEO. As well as this, all NGOs happened to be national, and had volunteers as well as paid staff working for them.

I felt confident that, with the range of organisations and people I had chosen, I would uncover a variety of legitimate viewpoints on how accountability, leadership and the CEO role worked. This contrasts with methods use by Cribb, Kumar, and others where the

dominant or overall trend was of interest, rather than deliberately generating a range of contrasting orientations (Cribb, 2005). The results of my pilot study (chapter three) strengthened my conviction that multiple legitimate viewpoints could exist, and should each be treated as potentially valid.

### **Analysis of journal and interview data**

The analysis and presentation of data in the thesis is covered in this section. I tackle both the journaling and the interviewing together as the approaches strongly overlap. I use a number of techniques in order to draw out usable ideas and models that answer my research question, and to promote a range of different approaches that can be effective in leadership and accountability for the CEO.

I draw on grounded theory; the development of conceptual frameworks or theories from data (Reinharz, 1992). It involves systematic and structured inductive analysis beginning with the data and taking this to ever more conceptual levels. Open-ended studies are said to “frequently rely on the grounded theory perspective to data analysis” (Reinharz, 1992, p18). For a number of the questions in both the journal and the interviews, I constructed categories, larger categories, and over-arching themes. From these I could extract main points, commonalities and differences. I based my analytical approaches on Attride-Stirling (2001, p388) whereby:

Thematic networks systematise the extraction of: (i) lowest-order premises evident in the text (Basic Themes); (ii) categories of basic themes grouped together to summarize more abstract principles (Organising Themes); and (iii)

super-ordinate themes encapsulating the principal metaphors in the text as a whole (Global Themes).

In some cases, the wish to protect identity and to extract underlying principles (rather than particular individuals' approaches) meant that the data from an interview question from all four subjects was put together for analysis. Themes were extracted from the full dataset and information presented accordingly (Attride-Stirling, 2001). The only reference to individuals' answers under this approach is recognition of how many respondents are represented within a particular category. Overall however, I am as interested in different and outlying answers that perhaps only one respondent gave as I am in more popular ideas and approaches.

Putting all the candidates' responses together differs from another approach I use where each person's answer received separate treatment. My thesis is interested in the role of the not-for-profit CEO with regards to leadership – a dynamic and contextualised process. The performance of a role proceeds from assumptions about the type and nature of what that role is intrinsically, and in relation to other roles (Berger and Luckmann, 1966). Where I looked at the candidates' stated accountability orientations – a question that lent itself to separate treatments on a person by person basis – I chose to create pictorial representations inspired by, but not depicting the four orientations. In this case I use my insider perspective to detect, interpret and magnify differences in the four answers. This leads to four diagrammatic representations or typifications of the NFP CEO's accountabilities (Tardi, 2008). The depictions are in effect caricatures of the accountability orientations of the CEOs, and I would not expect each CEO to recognise or agree with

“their” orientation. Rather, I have generated stereotypes that are designed to show different frameworks, stakeholder emphases and ultimately, some choices for the NFP CEO. As with any stereotype, there are potential negative impacts if the caricatures are applied to individuals (Collins, 2008).

### ***Ethical considerations in the presentation of data***

Alongside the preservation of sector relationships; data analysis and presentation is one of the key places where ethical issues needed to be considered. The identity of characters that appear in my journals and of the individuals and organisations in the interview cohort is protected. This has meant for example, that data about organisational characteristics such as numbers of staff, volunteers, budgets and members; has been disaggregated. I have plotted the four organisations onto a chart showing subsectors but have not correlated this to other organisational data. Expressing information about the journals has meant I have used group terminology rather than individual identities. Examples include ‘a staff member’, ‘a provincial centre’, and ‘a sector entity’ rather than ‘the HR manager’, ‘the Carterton Centre’ and ‘the Auckland Polytechnic’. I do talk about the Board and the Ethnic Advisory Group as these are groups rather than individuals. The one character who appears in the journals but whose identity I could not protect was the Board Chair. As I could not protect identity, I simply omit most references to the Board Chair in this thesis.

### **Summary**

My research design reflects a movement towards the increased use of autoethnography in organisational research (Parry, 2008). As well as autoethnographic journals, I use semi-

structured interviews to understand how not-for-profit chief executives in New Zealand can lead their organisations effectively. In the case of both research strategies, I use my insider perspective as an NFP CE (Patton, 2002); firstly by researching my own work and secondly by interviewing other CEs I work with and have experienced as insightful. I do not claim that the five CEs appearing in the research are indicative of all New Zealand not-for-profit chief executives, but that the findings will hold particular relevance for not-for-profit sector organisations that deliver services, have financial activity, employ staff, have a relationship with government, and have a membership structure. The research has two kinds of validity. It acknowledges and draws out the value and knowledge of practitioners' perspectives (Henn et al., 2006; Wadsworth, 1997) and produces academic findings for wider dissemination (Gomm, 2004) which contribute to the NFP leadership and accountability literature. The study seeks to understand the 'mindscape' (Sergiovanni, 1991) underpinning the actions and reflections (Schön, 1983) captured in the journals and interviews, and recognises multiple potentially legitimate views (Tolich and Davidson, 1999). Data are used to create thematic networks (Attride-Stirling, 2001), typifications (Tardi, 2008), and theories (Charmaz, 2006) about NFP leadership and accountability.

## Chapter six: Journals – A View from the Inside

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### **Introduction**

This is the first of two chapters containing results and analysis of original data collected for the thesis. This chapter looks at a set of autoethnographical research journals I kept on my work as CEO. I set out an overview of the six journal entries and then present analysis of the contents. The journals are considered in light of the leadership definition presented in chapter four. I review which stakeholders appear in the entries including frequency, consistency, and interaction between the actors. Using this information, I discuss my own role and how I judge the effectiveness of my work.

The chapter draws conclusions about the leadership and accountability behaviours apparent in the journal and offers discussion from my own perspective. I return to this material in chapter eight in light of results of interviews with other CEOs and with respect to literature reviewed in the first half of this thesis.

### ***Description of the journals***

The journals were created approximately once a week over a six week period in August and September 2008. As outlined in chapter five on methods, I followed a template of six questions I had set myself with two questions added after the first session (see figure 5A in chapter five).

Some journals related to specific documents and these were appended to the entry. I set aside one hour in my diary before work one day each week but sometimes spent more than



an hour writing the journals. The last entry was postponed owing to work commitments and falls nearly three weeks after the fifth entry. For facts and figures about the journals, see table 6.1.

*Table 6.1 Facts and figures about the journals*

Entry number	1	2	3	4	5	6
Date in 2008	Wed 6 August	Thurs 14 August	Thurs 21 August	Fri 29 August	Wed 3 September	Tue 23 September
Pages	2	3	3.5	3	2.5	2.5
Words	588	1,514	1,634	1,570	1,252	960
Appendix	Nil	Board meeting agenda	Board paper	Nil	Research funding proposal	Nil

### ***Discussion of journal contents***

In the following sections I cover each journal entry one by one. I describe the content and provide commentary. I then review whether or not incidents chosen reflect my definition of not-for-profit leadership introduced in chapter four; definitions created 20 months after the journaling (April 2010). Leadership is defined as the process whereby people in not-for-profit organisations voluntarily initiate and support acts intended to progress their missions.

## Entry one: emailing staff about my work arrangements

6/08/08

The first journal looked at an email I sent to all of my seven staff and copied to the Board Chair (to whom I report). See figure 6A below. My documented reason for choosing this incident is that it ‘communicates something about my priorities and values, it sets an example for other staff and it indicates personal information about me. These things are likely to impact the culture of the national office...’

Figure 6A    Entry one excerpt

*Dear staff*

*I am currently trying to recover from the flu and have discussed with the Board Chair a flexible working arrangement. As this Saturday I am at the EAG\* meeting, you may have noticed I have been doing shorter days this week. Next week I have a number of papers to progress for the Board and the TEC and have cleared my diary for that purpose. I might start my work day later to try and shift the end of this sickness. I may also do some of my work at home.*

*Please do not hesitate to contact me during office hours on my mobile through the week if you'd like to discuss anything.*

*021 677 907*

*Warm regards and good health to all,*

*Claire*

*Claire Szabó*

*Chief Executive*

*\*Ethnic Advisory Group*

***Entry one discussion***

The journal stated that the aim of sending this email was to support a flexible and high-trust work culture. There was a significant realisation that took place in the writing of this journal – that is that I had no idea whether I had helped, hindered, or made no impact towards this aim. While journaling I had an insight into my own ‘complex and contradictory’ motivations regarding workplace culture and leave. I had considered myself to have shown leadership in building a ‘culture of self-care and openness about vulnerability’ but later saw that this may have contradicted my motivations ‘to be seen [by my staff and boss] as hard-working and committed’.

The act of journaling led me to a realisation about the incident that otherwise would not have occurred. I was aware of the usefulness of this and then tried to emulate the experience of realisation in later journals unsuccessfully. This first entry remains unique in the degree of surprise and realisation expressed through its writing.

The incident discussed in entry one is the smallest of the six events I chose to write about and produced the shortest entry. It is considerably less complex and has fewer consequences than the other five examples. There seems to be a correlation between the timing of the realisations that occurred - during the journaling only five days later - and the simplicity of the incident at hand. I did not have further realisations about this incident when I reviewed the journals after 10 months had passed, nor when I wrote and edited this chapter a further year on. It was the incident that was seemingly most successful in terms of journaling and reflection, however it produced the least interesting results in the long-term.

***Fit with not-for-profit leadership definition***

There is at best partial fit with the leadership definition. I initiated an act that was intended to 'show a human side, was emphasising the importance of being well and the possibilities of work flexibility and setting a culture of self-care and openness about vulnerability.' This was because I 'believe in a workplace where people feel trusted to make their own judgements about work-time and the focus is on the impact of work rather than hours done.' However, the act did not require a response from staff nor am I aware that it received one. Because of this, it is unlikely to be congruent with the full definition of leadership. It may well however have been a perfectly adequate workplace communication.

The recording, reflecting and analysis of this incident has taken a path that differs to the other five entries and in this way, acts as a point of comparison. I discuss this later when evaluating journaling as a methodology.

**Entry two: compilation of the Board meeting agenda**

14/08/08

Content of this journal sheds light on how well I felt I had done the job of preparing for a Board meeting. I describe the process of drafting the Board agenda, telephoning the Board Chair for a discussion, and inviting guests from the TEC to the meeting. The parameters I set myself for this entry focus on the Board-CEO relationship. I show concern for the chair's satisfaction with my draft agenda. I also try to support Board effectiveness by creating a well thought out agenda. Figure 6B describes my aims and hopes for this act.

**Figure 6B**     **Entry two excerpt**

*I wanted to prepare an agenda that progressed the most important pieces of work for the organisation, balanced the urgent against the important, allowed time enough for the Board to come to its views on various matters and did not require more preparation than I could manage. I also wanted the chair to be satisfied with the agenda I drafted and for him to feel that it had been given due consideration. Thirdly I wanted to ensure a Board meeting that had impact on the Board members (that they came away better understanding the organisation's current picture), that engendered support for the work I'm doing, and that allowed the Board to contribute to the organisation's strategies and direction.*

**Entry two discussion**

I seem to take the task of preparing for the Board meeting very seriously. I am thoughtful about what the Board needs to be doing and I draw on a range of sources to decide what the agenda should encompass. I looked at notes I had been keeping over the preceding two months, checked which policies were due for review and consulted the strategic plan. I had drafted an agenda, sent it to the Board Chair and had a phone discussion with him. I journal at some length about whether I had done a satisfactory job in my view, and in the Board Chair's view.

There are tensions that come through in this journal entry. On one hand, I expect to be giving a high level of professional support to the Board. I am able to identify the gap between my level of engagement with issues as a full-time staff member compared with their knowledge working as part-time, voluntary Board members. At the same time, I want the Board to 'exercise autonomy and ...ownership of the agenda'. Another point of tension

is that if I put 'difficult issues' on the Board agenda, there is a need for me 'to manage the writing of [background papers] within other competing demands'. I am trying to balance my Board accountabilities with tasks related to operations (Bear and Fitzgibbon, 2005).

***Fit with not-for-profit leadership definition***

I state in the journal that 'my task was to write the Board agenda. This is in service of the Board as their employee as well as advisor to the Board as CEO'. The task is done as part of my job for my employer and is not in itself a leadership act. It is not initiated and supported voluntarily.

Looking at 'what parts of the strategic plan needed Board input in order to be progressed' was an act of leadership. The agenda, appended to the journal, shows four hours of discussions that were about the strategic plan, each requiring papers and support from me. There is also a meeting with the funder and associated preparatory and debriefing slots on the timetable. Altogether, a significant portion of the ten hour meeting (over two days) was spent discussing strategic issues I had brought to the Board's attention. I believe this shows a level of effectiveness in accommodating the multiple demands on NFP leaders (Smith Orr, 2004).

**Entry three: discussion with the Board about a name change**

21/8/8

The third journal considers a Board meeting discussion where I presented the results and led discussion on two external surveys, one internal survey and two focus groups regarding

the effectiveness of the organisation's brand. Appended to the journal is the Board paper that supported the discussion. I consider how the discussion itself went, how the outcome compared with my own hopes for the meeting and the role I and others played. There is a focus on choices I made during the meeting and how well they worked to achieve a desirable outcome.

**Figure 6C**    *Entry three excerpt*

*What did I do?*

*I wanted to move the Board towards a consensus stance on the issue.*

*I wanted to give the Board an opportunity to be ahead of the membership in terms of the direction of the organisation given that consultations are happening in September.*

*Why did I do that?*

*Building a consensus stance with the Board is a good way of testing my ability and readiness to build a consensus stance with the whole organisation's membership. In the process of teasing out issues I hope to identify hurdles to consensus and unity and then work up overcoming strategies.*

*Having the Board feeling ahead of the game and part of the decision making mechanisms helps their autonomy as a group, their satisfaction with process, and therefore my relationship with them and subsequent ability to keep putting issues on the table.*

***Entry three discussion***

This entry gives a view into the continual sequencing I am doing in my role when trying to gather momentum for change. I am looking back at what the Board has said in the past. I am thinking forward to upcoming consultation meetings with members. I am aware of the precedent-setting nature of the whole piece of work and managing my relationship with the Board accordingly. The natural order of the organisation becomes clear. It is my role to

ensure that decisions of the membership (e.g. our name and brand) are first worked through the Board so they are 'feeling ahead of the game'.

A number of tactics and strategies are documented for how I bring the group to consensus. Examples are; summarising what has been said, acting as note-taker, paraphrasing, and asking questions in order to focus the discussion.

There are multiple kinds of accountability manifesting in the boardroom. On one hand, I report to the Board as their employee and they govern the association on behalf of the member organisations. This is the chain of command that operates in any organisation. Concurrently, all of us are accountable to learners, to the funder and to the broader community through moral and financial imperatives. This second group of accountabilities requires leadership to model, remind and encourage everyone to be learner-centred, financially responsible, and responsive to the public. I take on a strong leadership role in this second area. As the chain of command and the leadership regimes run simultaneously, the result is sometimes tension and stress on my part.

### ***Fit with not-for-profit leadership definition and effectiveness***

I had laid down a multifaceted case with sturdy evidence and strongly advised the Board to undertake a name change consultation process. The Board had clear choices about where to take the name change issue, and it opted into furthering the work. It was a voluntarily initiated and intentionally supported act of leadership.

I see from this entry some examples of leadership strategies. I had conducted a range of surveys and provided external data to the picture. This gave voice to people outside the



Boardroom including funders, potential volunteers and clients or “constituents” (Wilcox, 2006). My actions increased Board accountability to stakeholders. In this sense, I was not only trying to build Board (and later centre) consensus, but alignment with the wishes of external stakeholders. This is evidence of building “a niche in which [the non-profit] can provide something of value to constituents that will be supported by funders, and that does not duplicate what others are already doing well” (Chetkovich and Kunreuther, 2006, p58).

### **Entry four: evaluating a sector collaboration**

29/08/08

The fourth journal deals with a trip I took with one of my staff to one of our centres in a provincial town. We were evaluating a pilot collaboration for English language delivery between the branch and the local polytechnic. There was to be an on-line course, face-to-face classes run by the polytechnic, and home-based learning support delivered by ELP. The journal mainly focuses on the debriefing meeting that took place between the centre personnel, a staff member of mine, and me.

*Figure 6D Entry four excerpt*

I hold the personnel of this particular branch in high regard and believed that if such a collaboration could work for the organisation, this would be a great place to get it off the ground. I also want the collaboration to work. But not at any cost. So I tried to put forward challenges in order to get the local staff to engage with what I think are the right questions. I wanted to influence the result of the work they are piloting to ensure that our part in the collaboration is properly financed, valued as important, respected for the expertise it represents, up-scalable and sustainable over time. I assumed that the way the system worked would be in the interests of learners and high quality and trusted that the branch was ensuring this.

...

I demonstrated in my thinking and actions a commitment to principles of partnership that respected both our own role as an organisation and the benefits to communities of avoiding replication/competition and in building synergy. This assumes however that the partner is of the same value set. What we saw at the polytechnic was that the tutors had a strong value match to our organisation but the manager had a weak value match and this limited the possibilities of collaboration.

#### ***Entry four discussion***

This journal shows me grappling with the important question of how the community sector and institutions should relate and whether and how they should partner together. Of ELPNZ's sectors (see figure 2B), this relates to tertiary education. In our specific field of community education, organisations (such as us) with clients not normally accessing formal education can work with schools, polytechnics and universities to create pathways from the community into formal delivery. This is such a collaboration. Concerns about a lack of recognition and funding that the branch was getting from the polytechnic for its work led me to raise questions and challenges for the centre personnel about the value of the

collaboration. There seem to be differing ethical climates (Rasmussen, Malloy and Agarwal, 2003) operating in the centre and in the polytechnic management. Specifically, where our centre was primarily interested in delivering services and less interested in the financial viability of those services, the opposite appeared true for the polytechnic manager we dealt with.

In this journal I see my role as improving the financial sustainability and professional positioning of the centre, and actively coaching staff to think in these terms. Success for me was that after our trip to see them 'the centre is far more capable ... of continuing their negotiations'.

An extra dimension is that I am simultaneously coaching my own national office staff member to play this role, or be aware of the rationales underlying my approaches, in future. I feel she would be able to deal with this sort of situation in the future and I will have 'total confidence that the issues closest to my heart will be thought of and thought through'. These are about 'both risks and opportunities' for the centre regarding the relationship with the institution. The role I take on reflects the common task of CEOs who must bring business acumen to largely voluntary agencies (Bateson, 2008).

It is notable that I meet with learners on the day of this incident. ELPNZ had at that time about 7,000 learners and meeting with any of them is a rare event for me. The inclusion of learners on the day allowed for everyone to hear clients over the voices of the various interested parties (Wilcox, 2006). I also stipulate in the journal that I see the quality of delivery and value of it to learners as a centre responsibility. It seems I am thinking about learners, but also thinking about the collective responsibility for serving them well.

***Fit with not-for-profit leadership definition***

I intended the debriefing meeting to be focused on evaluating the extent to which the collaboration supported the centre's goals. This act initiated leadership.

The centre resolved to continue their negotiations with the potential partner bearing in mind a new range of considerations arising from the discussions. Indications were that leadership had been effective.

**Entry five: proposal to the funder for sector leadership work**

3/09/08

Entry five examines the processes and choices I made in submitting a funding proposal to our government funder. The proposal differed from our normal financial relationship in that it potentially set us up for a new role as an advisor to our funder and leader in the ESOL sector (see figure 2B for the subsectors). We had been asked by the CEO of the Tertiary Education Commission to prepare a research report noting gaps and priorities in ESOL provision including what need there might be for a sector leadership body. The content of the journal includes my reflections on how to position the organisation, who to work with to achieve this, limitations and risks I was experiencing, and the significance of the work for the organisation and for me.

*Figure 6E      Entry five excerpt*

*As I was trying to complete the work I had to make decisions about who to work with on the proposal. I struggled to decide and this is the first time I have felt so isolated in a similar piece of work. The staff member was the obvious choice in the end but there was no e.g. sector CEO for me to get an 'outside' peer review from, [and others] don't operate at that level [or] ... have the expertise... So one thing I learnt was that I'm moving into somewhat uncharted territory and either need to be self-reliant (risky) or pull in some support. I admit though that the thought was fleeting and I made no plans to follow up.*

***Entry five discussion***

In this entry, I am struggling with how to attack a new situation. There are numerous things I do in my job which are one-off or new, and this incident opens a window on the world of this kind of work. I discuss my insecurities and consider the need for courage in my role. I would like people to have 'faith in me as the appropriate leader', discuss feelings of isolation, the 'need to be self-reliant' and being in 'uncharted territory'.

I clearly feel that the opportunity to submit a successful proposal is important, but I am unclear as to the best approach. Although I had been in the role for over two years at this point, I lack networks amongst ESOL providers. Most of my networking to this point had been amongst Adult and Community Education providers and resettlement support agencies, as well as government. Because I am unable to trigger lateral accountabilities (Christensen and Ebrahim, 2006), I find myself submitting a proposal to the funder for a sector leadership role with advice from staff, but without having elicited actual support from the sector. This aspect of the incident is particularly jarring in retrospect, although I do mention 'peer review' as a mechanism I am seeking. Peer review can be seen here as a

possible example of a “method to scrutinize and build accountability to lateral... stakeholders” (Christensen and Ebrahim, 2006).

Time was an issue in this journal entry. Once again I document my struggle in meeting the organisation’s aspirations and its operational requirements simultaneously; I wish to take ‘realistic steps while being ambitious’. In looking for guidance, I refer to ‘my internal compass’. Entry five shows a CEO pioneering a new piece of work in ‘uncharted territory’ with little help and no time. There are emotional consequences such as insecurity and anxiety.

### ***Fit with not-for-profit leadership definition***

I wrote this proposal to progress my understanding of the sector’s interests, to enhance the organisation’s role, and to help the funder understand better our learner groups and their needs. It was a response to a request from the funder, who first initiated the leadership. With regards to the funder, I am participating in the leadership process. With regards to the sector however, I am not brokering relationships or seeking mandate for leadership. I note that ‘whether we get the money, complete the project and realise our leadership potential in the sector all remains to be seen’. There are aspects of a leadership process (with the funder) and the absence of one (with the sector).

### **Entry six: consultation with eight large ELP centres**

23/9/8

The final journal reports on one part of a consultation meeting with the largest eight of our 22 member organisations. This was the third of three such meetings organised by size of

member organisation (as determined by the number of clients it serves). I was presenting market research data and trying to build consensus about the need for a name change. I note my own changing role as ‘presenter of data/analysis, a challenging voice, a facilitator of dialogue, and occasionally I took a position’. The day was successful at building consensus. The entry shows up the complexity of the relationship with member organisations.

**Figure 6F**     *Entry six excerpt*

*I wanted to build consensus among the group. Also, I wanted that consensus to be that a name change should occur. I wanted to come over as not biased towards a particular outcome. I wanted to challenge the one member group in particular that had been voicing strong opposition to a name change without disenfranchising that group.*

*My belief is that the current name and image of the organisation is negatively influencing the identity and potential we have. I feel that the name is more reflective of our humble roots than our current quality and professionalism. It is also not indicative of the aspirations for the future and it has lost relevance with external parties unfamiliar with the organisation.*

*I also think that having an all-of-organisation conversation about our name and image is a great way to focus people’s minds on strategy and purpose.*

*Thirdly, building consensus about future direction, identity and name has the potential to galvanise and strengthen the organisation’s bonds and ensure its future.*

**Entry six discussion**

This is the third step in the name-change process that has appeared in the journals. Firstly it was an item (including a two hour discussion) on the Board agenda created in entry two. Secondly, the Board discussion itself featured in journal three. Between the Board meeting and entry six I have undertaken three consultation meetings with the members in small, medium and large groupings – this entry discussing the third of these.

Here again my competing interests of providing leadership and building the strength of a democratic organisation come into play. The duality of the role and my tension comes across in the entry e.g. 'I wanted to build consensus in the group. Also I wanted that consensus to be that a name change should occur. And I wanted to come over as not biased towards a particular outcome'.

I explicitly play down my own viewpoint but still lead the group to consensus on the outcome I desired. I explain this in terms of being 'reasonably comfortable steering consensus towards my viewpoint'. I justify the neutral position as more strategic in that 'I have found that sharing data, facilitating others to express views (rather than me saying mine as CEO) are more convincing than me speaking my mind'.

I am simultaneously aware that the members are those who will eventually vote on the issue at the next annual general meeting, but also aware of my leadership role. Part of my job as CEO was to be in touch with the external operating environment; a duty I had recently undertaken through extensive surveying and organisational research. I was certainly the most knowledgeable person about the perception of the name externally through all my data collection and analysis. It was to a large degree through this knowledge that I felt my leadership role was mandated and valuable to the organisation.

The structural accountability upwards to centres and the collective accountability to external stakeholders were concurrently operating. As a result, I played a dual role of furnishing people with information to support a democratic vote and guiding them towards consensus that increased organisational relationships with the learners, volunteers and funders it needs to operate.



I noticed that after this consultation event I had not sought feedback from other parts of the organisation as I would have in previous years. I make another reference to my increasing happiness ‘using my own internal compass’.

### ***Fit with not-for-profit leadership definition***

My leadership definition requires there to be voluntary initiation and support of acts that advance the mission. I sought support from large centres to investigate new names for the organisation. I brought forward data on the effectiveness of the existing name and held a discussion designed to build consensus on the question of effectiveness. The attempts were successful. My journal notes that the group engaged very strongly with the process. ‘The member who had taken a position unsupportive of change participated well and positively.’ I also note ‘spontaneous applause at the end of the session’.

## **Two examples of leadership processes in the journals**

### ***The name-change process***

Chapter four proposed that leadership be defined as a process. The exact nature of that process is becoming apparent in the three journals related to the name-change. Overall the process took a year and was mapped out in a range of strategy documents and presentations. I launched the first consultation on the topic at the annual conference in May 2008 which outlined a two stage process. First we would evaluate whether the former name (ESOL Home Tutors) was helping or hindering achievement of the mission. Then, we would either agree to keep the existing name or commence consultation on new names.

By the time journaling occurred in Aug-Sep 2008, surveys or focus groups of members, the general public, funders, the Ethnic Advisory Group and National Office had all taken place. As it transpired in time, the Board concluded at a later meeting that the name was hindering achievement of the mission. The second phase of the process was initiated and we investigated, and looked to build consensus around a new name. This process took a further six months and included market testing six possible names with the public, funders and other providers. The name English Language Partners New Zealand was eventually adopted by a unanimous vote of the 22 member organisations at the April 2009 annual general meeting. Six weeks later, the new brand and associated paraphernalia was launched with great celebration at the national conference in Auckland.

### ***The sector leadership process***

In entry five, I respond to a funder request to submit a funding proposal for a project identifying gaps and priorities in ESOL delivery across the sector. It was specifically part of a larger agenda – shared with the funder – to build ELPNZ's leadership role in the sector. The funding proposal was not successful and we were asked to submit a revised proposal. When this was equally unsuccessful, I discontinued efforts to get the project up and running.

With my definition of NFP leadership in mind, I would approach this issue differently from my approach in the journals. I see sector leadership not as something that a government agency can fund an entity for, but something that the sector itself must mandate. Because of the ethical climate (Rasmussen, Malloy and Agarwal, 2003) within government, it is possible for funding bodies to believe that they orchestrate sector relationships through their purchasing decisions. As a relatively new NFP leader not conversant in the foibles of

the sector, I did not think to question this starting point. I would now see other sector agencies looking to us for leadership, or in fact the client group doing the same, as a stronger indicator of success towards our mission than feedback from a funder. In this way, the incident effectively ‘calibrated’ my internal compass.

It is interesting in retrospect that three of my journal entries related to an internal process regarding a name change but only one to a sector leadership role. I think this is a benchmark in my time as CEO where I have happily led projects within National Office, I am operating complex and lengthy leadership processes across the national association, but not yet confident or knowledgeable about leading cross-sector initiatives.

The rest of this chapter explores and analyses the journals to understand stakeholder emphasis (Kerlin, 2006), the role that I play as CEO, and questions of effectiveness.

### **Stakeholder emphasis in the journals**

A number of stakeholders made appearances in my journals. The following section looks at who was present, how often, links with leadership, and interactions between stakeholders.

#### ***Number of stakeholders appearing in each journal***

In each entry I relate to multiple stakeholders, specifically: five, three, seven, six, five and six different groups or individuals on the six occasions. See table 6.1.

*Table 6.2. Who were the stakeholders in the journals?*

Increasingly more stakeholders	Entry	Incident	Number of stake-holders	Fit with leadership definition	Funder/s	Nat'l Office Staff	Ethnic Advisory Group	Centres	Board	Chair	Learners	Public	Sector partners
	3	Board item on name	6	Yes	x	x	x	x	x			x	
	4	Collaboration evaluation	5	Yes	x	x		x			x		x
	6	Centres consultation	5	Yes	x	x	x	x				x	
	1	Email re sickness	5	Partly	x	x	x		x	x			
	5	Proposal to funder	4	Funder yes, sector no	x	x					x		x
	2	Board agenda	3	Task, no. Content, yes.	x				x	x			

The sheer number of groups and individuals whose relationships make appearances in the journals is notable. This includes with individual staff, the whole staff, with the Chair, Board and member organisations (in various groupings), the relationship with other providers, and the organisation-government funder relationship.

***Frequency of stakeholder appearances in the journals***

The funder, or funders in general, appeared in every journal entry. In some cases it referred specifically to the TEC or TEC personnel (e.g. entry four; creating a funding proposal). In another case, I wrote about a 50-person survey of current and potential funders. This group being in every entry is an important symbol of the influence and dominance they have in my thinking as CEO.

Learners and the EAG appeared on two and three occasions each. The Ethnic Advisory group plays the role of representing learner ideas and input into management and governance and as such is a mechanism to increase downward accountability (Christensen and Ebrahim, 2006). The occasions they appeared did not overlap with the two instances that learners appeared. It is notable that in five of the six journals, either learners or the EAG were part of the picture as the client group do not exercise power over me or my staff. I believe this is a healthy sign that powerful accountabilities to funders are being balanced by moral accountabilities to clients at the CEO level. Staff – either collectively or individuals – were equally prevalent with a presence in five of six journals. This makes sense given the increased access that I have to staff compared with more distant stakeholder groups.

The Board featured in three entries and the chair in two. However, these instances overlapped making the Board and Chair the fourth most prevalent group.

Purely based on numbers within these six entries, my first focus is the funder with second equal going to staff and learners. The Board with chair are fourth equal with centres. Finally I interact with the general public and sector partners each on two occasions. The list is very similar in length and nature to the results from ELP managers on their accountabilities. A notable exception is the consistent presence of the funder or funders. ELP managers were “surprisingly” unconcerned with their accountabilities to government, as Cribb also found in her study of New Zealand government-funded voluntary agencies (Cribb, 2005). The gap between my sense of accountability for public funds and that exhibited in chapter three by ELPNZ members is akin to the differing ethical climates (Rasmussen, Malloy and Agarwal, 2003) that have been described in relation to government and NGOs. It creates a challenge when building a collective sense of accountability for government funding.

### **My role in the journals**

#### ***Dealing with multiple accountabilities***

Table 6.2 lists a range of interactions between other characters in my journals. I have used thematic analysis (Attride-Stirling, 2001) to code the data into four categories which denote what my role was when interacting with others.

Table 6.3. *My role in getting other people to interact*

<b>Informing people about what others are doing / requiring</b>	<b>Brokering relationships between others</b>	<b>Creating shared understanding, building consensus</b>	<b>Sequencing hierarchical relationships</b>
<p>I email staff explaining I must do papers for the Board and TEC.</p> <p>I copy the Chair on an email to the staff.</p> <p>I plan to pass on risks and opportunities learnt from the evaluation to other centres and national staff</p>	<p>I invite the funder to the Board meeting.</p> <p>I write the agenda using language that will help the Chair facilitate the Board discussion.</p> <p>I take several staff with me to the large centres consultation.</p> <p>I monitor centre input at the centre consultation that 'no [centre] dominated / didn't speak'.</p>	<p>I present the Board with public opinion data, NAO staff and EAG views, as well as centre views.</p> <p>I present the centres with public opinion data, NAO staff and EAG views, as well as centre views.</p> <p>I intend at the large centres meeting to 'build consensus among the group'.</p>	<p>I use the Board to gain insight into how the broader membership is thinking and to learn the language that will help overcome hurdles with the membership.</p> <p>I want the Board 'to be ahead of the membership in terms of the direction of the organisation'.</p>

In some cases I am simply passing on information so that people know what others are doing, or to share learnings from one centre to another. Examples include the

email to staff and copied to the chair explaining my work coming up with TEC, the EAG and the Board.

Secondly, I broker relationships between other groups. This would be activities such as inviting TEC staff to the Board meeting, including my staff in centre consultations, helping the Chair to chair the Board successfully by putting notes on the agenda for the members, and so on.

A third role I play is that of building consensus or shared understanding between other groups. The best example is at the large centres meeting where I expressly would like them to agree to investigate new names and guide them towards a consensus.

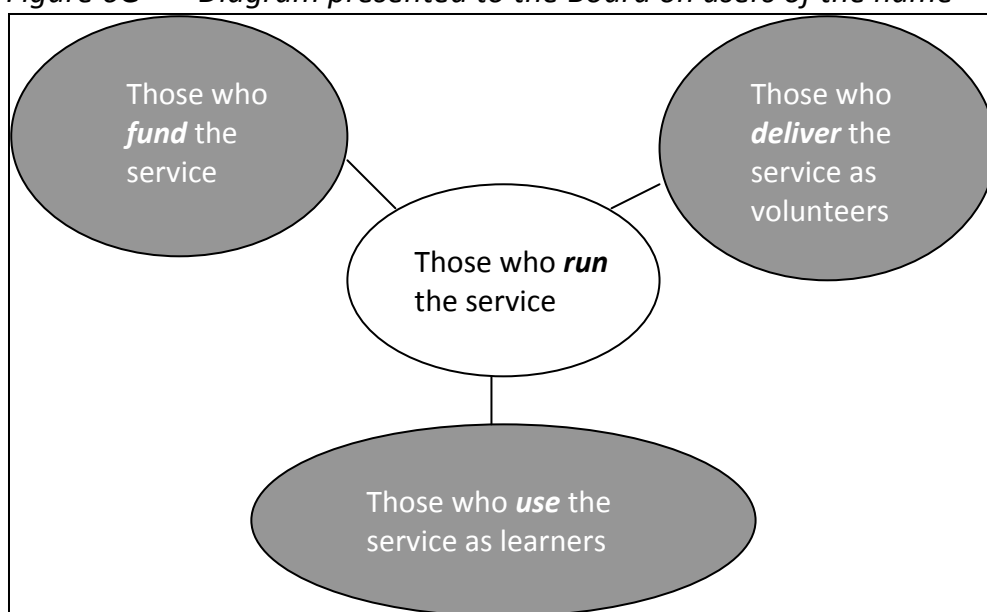
Fourthly, I sequence conversations so that the organisational hierarchies are in order. I consult with the Board prior to the membership groupings and ensure that they are 'ahead of the game'. While I am still with the Board, I am preparing for the next conversation in the sequence with the membership by picking up on language that I can use when taking the consultation further. I am prepared however to initiate leadership acts while also recognising my place in the hierarchy – accountable to the Board and the centres. I have a 'willingness to influence and persuade other groups within the organisation, even those above me in the hierarchy'.

In one example, I seem to be playing a number of the roles at once. I provide the Board with a paper that addresses the question of the 'users of the name' such as



learners, volunteers and funders, versus those who ‘run the service’. I provide them with a diagram (figure 6G). I explain that ‘only those who run the service have a vote in deciding on the name. However, effectiveness of the name can best be judged by those whose support we depend on, and whose subconscious reaction to the name dictates whether they identify with and consider supporting an unknown or little known organisation’. I am simultaneously trying to get one group to understand the role of other groups, to get the hierarchy and sequencing correct, and I am passing on information.

*Figure 6G Diagram presented to the Board on users of the name*



*From Board paper appended to journal entry #3*

### ***Bringing business acumen***

In the trip away to evaluate the centre collaboration with the polytechnic, I am the member of the group exercising business skills most emphatically. Other staff were more equipped to decide on the classroom value of the course and to make

educational and social assessments of the impacts of the programme. I brought business skills to the group as is commonly the CEO's role (Bateson, 2008). I also use professional skills in creating the Board agenda, supporting the Board discussions and facilitating the large-centres consultation.

### ***Looking for principles***

Another visible behaviour of mine is that of finding principles to guide me and others through situations. Having noted a number of risks associated with the polytechnic collaboration, I want to ensure that other centres and national office staff are made aware of these risks. I note that 'learning for me about an emerging trend, learning about how to handle it, motivation to pass on that learning to my staff and the organisation are very important to me'. This is 'more important than whether or not an actual collaboration occurs'. Here I take a viewpoint that is longer in time and broader in geography than the matter at hand to try and create a repeatable approach that is advisable to others.

Equally, a sense of what is sustainable and repeatable guides my thinking about how to approach the Board. I temper my choices so that I can "keep putting issues on the table".

### **Am I an effective leader? How do I know?**

One of the questions I ask in each journal is "Did it work?" with regards to my aims.

There are a number of times I clearly don't know whether I've been effective.

Evidence is listed in figure 6H.

Figure 6H     *How do I know that my work was effective?*

*"In reality, I do not know how this email was received"*

*"With regards to some of the ...intentions of the agenda-writing process, few of them will be clear until the meeting has taken place... It is possible that [the outcome was] in contrary with an express aim of the task. It is also possible..."*

*In the Board discussion on the name-change, I list 5 intentions that I later evaluate. Four of them contain the phrase "I think" when discussing success. I cite one piece of evidence which is a unanimous vote, but nothing except perception for four other areas.*

*I sum up the success of the centre visit / collaboration evaluation with some beliefs and thoughts about the gains made by visiting. There is no evidence cited, but I do refer in the journal to both the centre and my staff member commenting on the usefulness of my input and questions.*

*"Whether we get the money, complete the project and realise our leadership potential in the sector all remains to be seen".*

The exception is the 6<sup>th</sup> journal entry where in answer to the question "Did it work?"

I say:

*'Yes. The members all interacted and the overall tone was positive. The member who had taken a position unsupportive of change participated well and positively. ...There was spontaneous applause at the end of the session for the valuable dialogue and positive participation by everyone. ...Consensus as well as shared understanding was built. One staff member remarked to me that all left smiling'.*

As described in chapter three, measuring effectiveness is notoriously difficult in the NFP arena. Staff feedback has been a proxy for me as seen in the above quote.

Earlier in the chapter I remarked on funder feedback as being a tempting but inaccurate mechanism for understanding if mission is being advanced. A key concept in the journals is that of ‘internal compass’.

### ***My internal compass***

Articulating the number of differing, overlapping and potentially conflicting stakeholders and accountabilities makes sense of my repeated discussion in the journals about the need to develop my ‘own internal compass’. In some entries, there was evidence of me using my own sense of judgement over the judgement or signals of others. Where such decisions could be seen, it indicated a hierarchy or set of preferences between my accountabilities to the stakeholder concerned, and my sense of a broader, or different accountability.

There were four examples. In journal three, I note my ‘willingness to influence and persuade other groups within the organisation, even those above me in the hierarchy’ as I build consensus with the Board on the need for a name change. In journal four where I evaluate a partnership with a centre and a polytechnic, I ‘wanted to influence the ...work they are piloting to ensure that our part in the collaboration is properly financed, valued as important, respected for the expertise it represents, up-scalable and sustainable’. I am prepared to hold out on this point even where others (such as the centre) do not see it as a priority.

The fifth journal entry shows me prioritising my own workload and lack of senior staffing capacity over an interest in positioning the organisation very strongly for a

funder-initiated, sector leadership position. I temper both the proposal and the way I prepared it with my concern 'about over-committing myself and then not delivering on promises'. The final journal shows me as 'reasonably comfortable steering consensus towards my viewpoint' when leading the name-change consultation with centre members.

## **Summary**

In 2010 writing this chapter, I now know what has happened with these initiatives. I know that the name change went through with a unanimous vote from all 22 centres 8 months after the Board and centre meetings in the journal. I know we did not get the funding for a project to articulate learners' needs to the funder on behalf of the sector, neither has a pathway to playing a lead role in the sector eventuated. I know that the polytechnic collaboration did not transpire but that some other centres have picked up lessons learnt there which have led to a new and successful collaboration. I observe that staff in the National Office typically have a healthy relationship with flexibility in the workplace.

Journaling has been a process that has allowed me to see into my own role in a way I could not have otherwise. The length of time for reflections in action (Schön, 1983) to take place has correlated with the size of the leadership incident and its complexity. The more complex the issues, the more useful and insightful the journal became with time. This was partly linked to emotional distance (Riad, 2008) and partly to the possibility of seeing the outcomes of the work.

In the name-change consultation I devised a process of scheduling discussions and getting different groups to hear and listen to other groups, and sequencing it so everyone felt that their place in the hierarchy was in order. It was successful. The funding of a sector project was not successful. Here I could have underestimated the importance of sector-wide support and endorsement and overestimated the significance of funder invitation in a sector leadership process.

My role includes liaison between a multiplicity of groups even for relatively simple tasks. Not only do I work directly with groups; I also pass information between groups, broker relationships, build consensus among differing stakeholders, and correctly sequence discussions to preserve the order of the organisational hierarchy. I employ a range of 'macro-techniques' to orchestrate broad processes and 'micro-techniques' such as summarising, note-taking and questioning to lead group processes. I develop principles from situations to ensure precedents I set are repeatable and I use my internal compass, which I recalibrate as I learn from the environment.

Measuring effectiveness is a question that constantly accompanies me and no easy answer emerges. Time has been the ultimate judge of effectiveness. However, there is some correlation between where I took significant trouble to understand and map different groups' interests, and then sequence a series of conversations that generated mutual understanding; and where efforts were met with success.

## Chapter seven: Interviews – Talking to the Neighbours

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### Introduction

So far in the thesis, we have seen the leadership world of the not-for-profit CEO through literature, and through the eyes of an insider researcher – me the author. My home organisation English Language Partners New Zealand and its leadership environment has been the subject of interviews at the local level (chapter three) and journals at the national level (chapter six). In this chapter, I present the results of further data collected for the thesis. I interviewed four CEOs of NFP organisations operating in the various sub-sectors of ELPNZ. First I present a summary of the interview process followed by organisational information.

I sought out organisations which complied with the characteristics laid out in chapter two: organised, private, not profit-distributing, self-governing, and non-compulsory (Sanders et al., 2008); service-oriented (Salamon, Sokolowski and List, 2004); and mission-driven (Gatenby, 2004). I further added to this list, criteria that create proxies for the accountability environment already explored within ELPNZ: being funded, employing staff, operating in a sector where government takes a role, and having a membership structure.

With a list of 17 organisations in hand, I selected four CEOs to speak to whom I knew, and knew to be insightful. For full details of how the organisations and individuals were selected, see chapter five.

### ***Interview questions***

I asked how the CEOs described their organisation to someone who did not know it, I drew out key facts and figures about each entity, and asked what sector the CEOs thought their organisation operated in. These questions were designed to be a warm up for candidates, and also provided me with data that might later explain variances or similarities between answers given.

Some questions related to accountability. The CEOs listed the groups they felt accountable to, and ranked them. I had two tightly focused questions stemming from previous observations in my own journal and the ELP manager interviews. Firstly, how does any sense of accountability to clients manifest in real terms for a national CEO? Secondly, did the subjects consider themselves accountable to their staff?

Two questions uncovered the leadership processes within the NGOs. Interviewees were asked to describe how decisions were made in relation to a major change event of their choice from the last two years. Then building on their thinking, they were asked to describe how leadership processes generally worked within their organisation.

I then asked two questions about the CEO role, specifically: how would CEOs sum it up if handing over to a successor and secondly, how they judge their own success in their roles.

At the conclusion of the above topics, I gathered any further comments from the CEOs on leadership and accountability in the New Zealand NFP sector. They all offered final reflections. Before closing the interview, I confirmed background information on the CEOs in case this was a factor in their answers. (The interview schedule is found in appendix one.)



### ***Organisations in the cohort***

The following information is designed to give an overview of the organisations in the cohort, but is disaggregated to protect identity. Note that throughout this discussion all candidates are referred to as 'she'.

Annual budgets of the organisations, including their members, were \$3M, \$4M, \$12M and \$53M (ELPNZ: \$6.5M). Staff numbers ranged from 80 + 500 volunteers, 170 + 3,000 volunteers, 1,500 including staff and volunteers, and 2,000 including staff and volunteers (ELPNZ: 280 + 3,000 volunteers). Client numbers in two cases were discrete individuals; 750 and 7,500 (ELPNZ: 8,300); and in two cases number of contacts or participants per annum; 200,000 and 650,000. The federations had 16, 25, 50 and 70 member organisations (ELPNZ: 22). All but one delivered their services through their members (rather than through a unitary structure where members played only a constitutional role). All received some level of government funding in their mix of income but one was primarily funded by member levies. I refer to some of this information as I discuss specific results below.

### **How do CEs describe their sectors?**

In the first of the substantive issues discussed in the interviews, interviewees were asked to describe their sector. One saw this as those working with the same client group as her organisation. The other three chief executives had difficulty stating one sector or "wouldn't label it as one sector".

One noted four specific sub-sectors that her entity was part of, much like ELPNZ. She then described the outcome that they deliver as being the main sector (equivalent to English

language for ELPNZ), and saw that the subsectors related to “where we deliver it”, such as in the home, workplace or community. For this second CEO, the main defining characteristic of the organisation is what they deliver, not who they deliver it to.

The next organisation was linked to seven sub-sectors. This CEO felt that the overarching term of “community” was very broad and this was a problem in that it was not meaningful enough. All her seven subsectors described “what we do”.

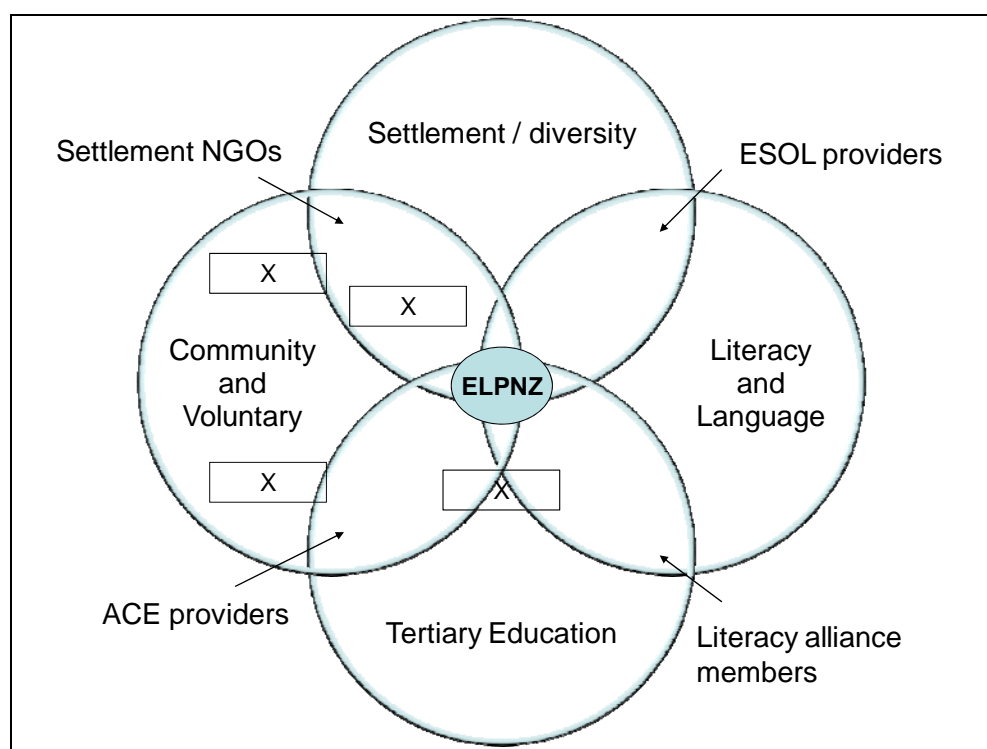
The remaining CEO paused extensively when locating her organisation in a sector. The particular organisation is accessible to all New Zealanders, and therefore not definable by client group. When asked whether the key deliverable could be seen as a subsector, this did not sit well with the CEO. She could only identify commercial organisations delivering similar services and did not see them together as a sector. Eventually, “community and voluntary” and “civil society” sectors were her nearest description.

One thing that comes to light in the answers is the variety. The specific sub-sectors of ELPNZ are generated by its client group (migrants and refugees) and deliverable (English language). But other NFP organisations do not necessarily work to a similar prescription. In some cases, the organisations were one of many or several NGOs that worked with a similar deliverable or client group creating a sub-sector. However, in the case where the CE could not report a subsector within the community sector, her organisation was the only known community organisation delivering the particular kind of service. Furthermore, hers was the organisation with 70 members. It is possible that in her case alone, the national organisation encompasses the entire ‘sub-sector’ of community organisations working in the field, and her organisation is in fact a sub-sector by itself. If this is the case, there are implications for

accountability and leadership. Lateral accountability processes that otherwise take place between the entity and other likeminded NGOs can take place within the more formal processes of membership instead of the relationship-based approaches common across organisational boundaries.

The interviewees did not see the diagram presented in chapter two, figure 2B, however based on their organisational information and knowledge of the various organisations' client groups, I am able to place them in the diagram in relation to ELPNZ. (I acknowledge that, if each organisation was to do a similar exercise, they would place themselves in the middle and possibly have other sub-sector groupings.)

*Figure 7A Organisations in the interview cohort in relation to ELPNZ sub-sectors*



The CEOs described their sectors as variously: based on a client group, based on a key deliverable, based on what they do i.e. activity, and “civil society”. I compare this with the

four sectors that ELPNZ has recognised (figure 7A) encompassing client group (settlement/diversity), deliverable (literacy and language), organisation type (community and voluntary), and shared funder (Tertiary Education). I see that ELPNZ's strong identity related to client group (migrants and refugees) and deliverable (English language skills) is a feature particular to the organisation. The other entities have differing emphases.

I also note that, despite its currency in academic literature and policy documents, no-one used the term 'not-for-profit'. CEs considered their organisations' sector in terms of the things that were specific and significant to their missions.

### **Who do the CEs say they are accountable to?**

As with the results of the five local ELP managers, the CEs differed in their ideas about accountability. The informants listed different stakeholder groups, different numbers of groups, and had varied ideas about ranking the groups. In the following section, I present three things related to each CEO's response: the notes I typed during the interviews (boxed), a diagrammatic representation of the accountability orientation as described in chapter five (see key at Figure 7B), and discussion. Following this is tabulated results and analysis.

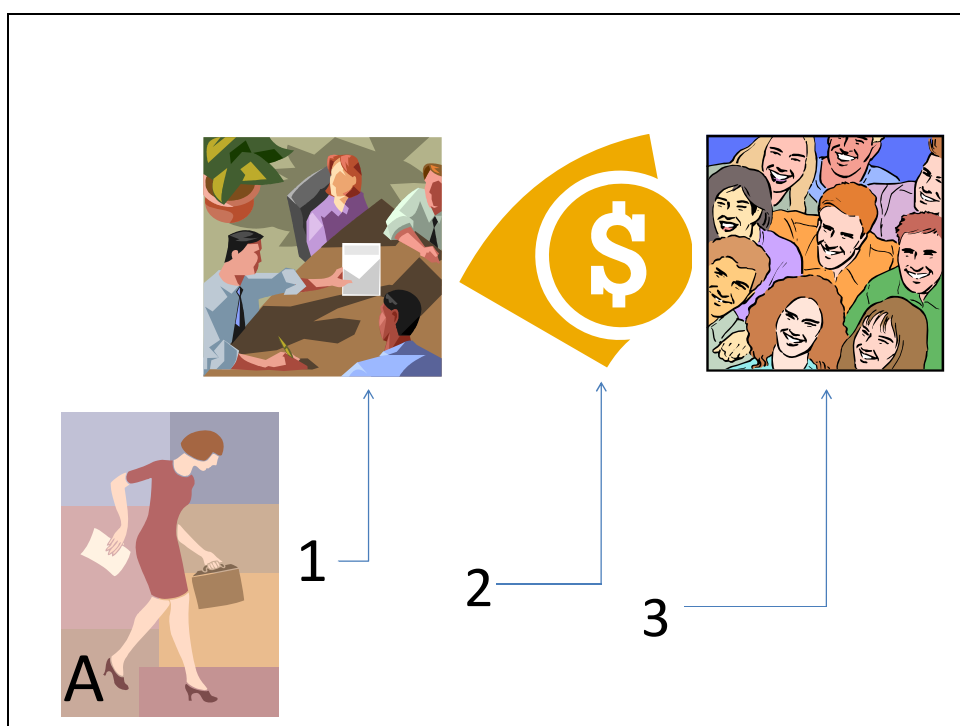
Figure 7B Key to pictorial representations of accountabilities



### ***Candidate A accountabilities***

Firstly to the Board and through them to members. Then to the funder as without them the whole piece of work fails and thirdly to client communities. If an organisation is too focused around its finances or too focused around community good or global environment, it will fall over. A great leader will have an organisation that is financially fit and feels good about itself emotionally, spiritually and mentally.

*Figure 7C Representation of candidate A's accountabilities*

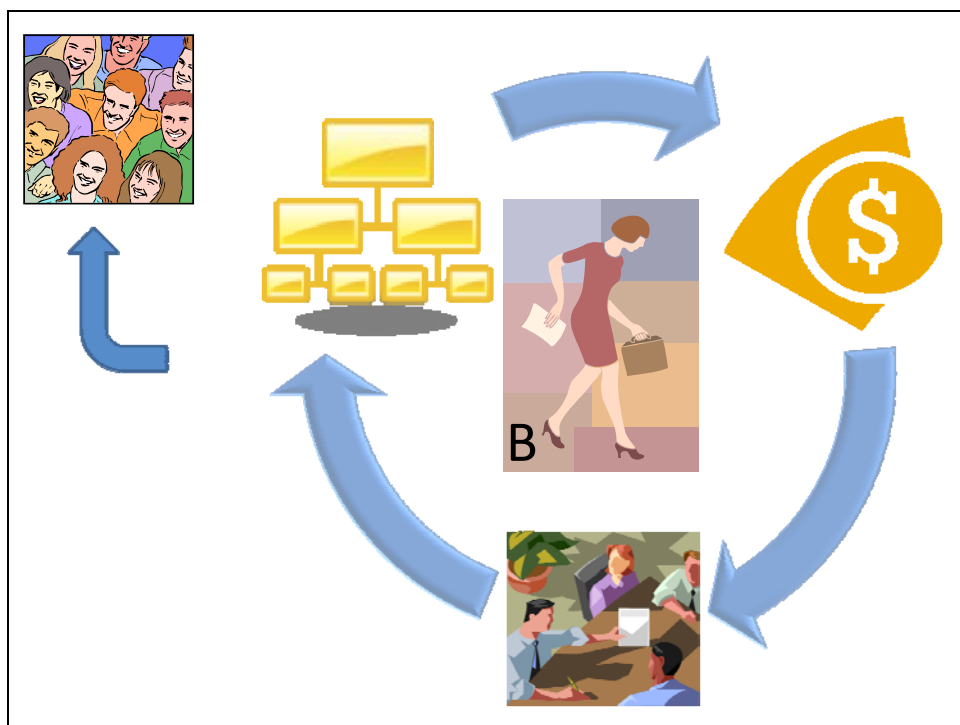


Interview candidate A has a strong focus on organisational management with the choice of Board as first accountability in a short list of stakeholders. It is notable that funders come before clients in her accountabilities. This is very different from results presented in chapter three regarding ELP local managers. It also differs from Cribb's "surprising" results where even NGOs with high levels of public funding had a low sense of accountability to government compared with moral, downward, client-related accountabilities (Cribb, 2005).

**Candidate B accountabilities**

The Board cause they employed you. The membership because of the constitution. But if you fail to recognise that the people who funded you are as important or sometimes more important then you have missed the boat. (Prompt: clients?) If you are working with constitutional objects and values, you will have the client stuff right. I wouldn't rank it. I would say it is a circle. You build a place.

Figure 7D Representation of candidate B's accountabilities

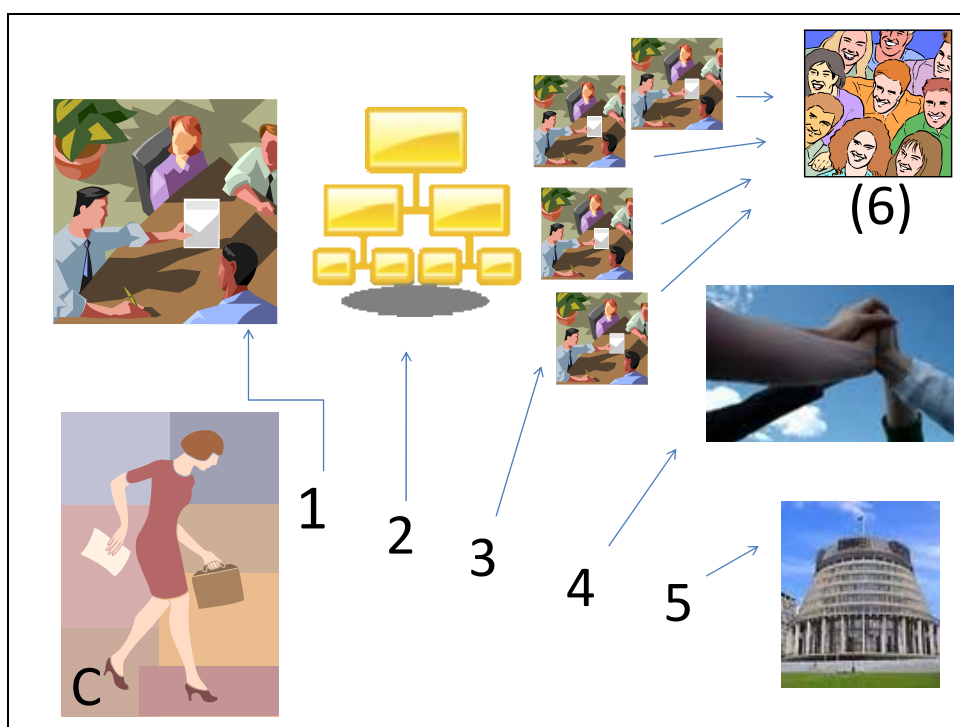


This interview candidate had an original and well-developed concept of accountability that she could not or would not rank. Again, accountability to funders was higher than in the local manager study in chapter three suggesting varied “ethical climates” within her organisations (Rasmussen, Malloy and Agarwal, 2003). She notes that accountability to funders is *sometimes* more important or as important as the Board or members. There is a suggestion of situational responses in her answer.

***Candidate C accountabilities***

To the Board, to the organisation as a whole, then to the member organisations, to our alliance partners, to parts of government, and to client communities through our members - however we are arms-length from clients and this accountability is through our members.

*Figure 7E Representation of candidate C's accountabilities*



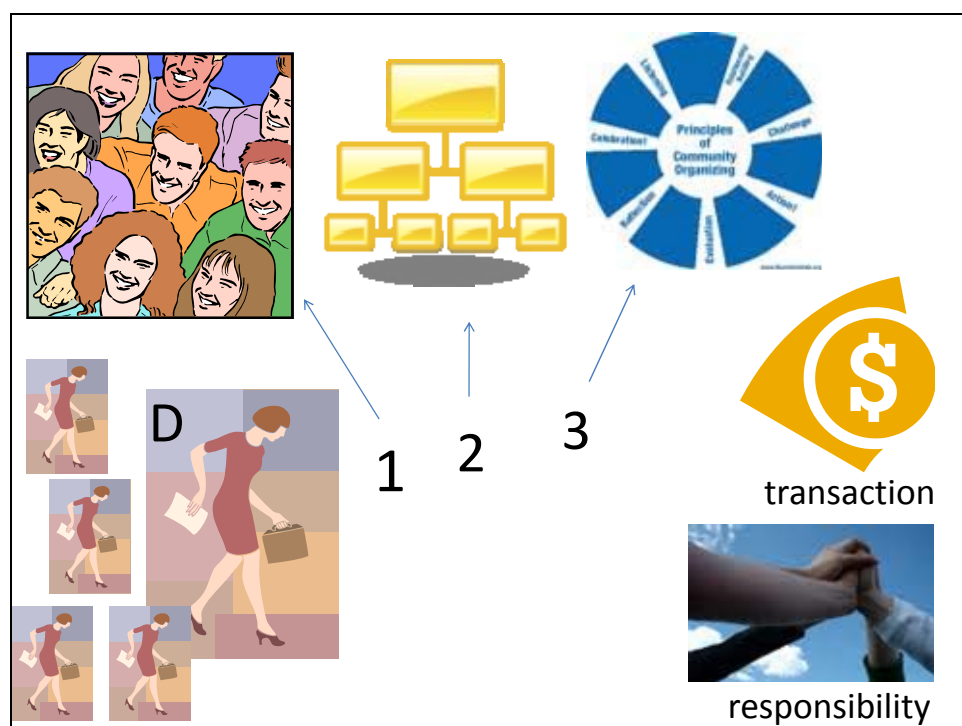
This interview candidate listed the most groups in her answer. It is more akin to results from chapter three where some local managers had longer lists of accountabilities. This CEO makes some interesting distinctions between the Board, the organisation as a whole, and the members, suggesting that she had done some thinking about the subtleties of her accountabilities particularly within her organisation. The response was considerably more fine-grained with regards to internal than external groups, perhaps relating to internal organisational priorities.



### ***Candidate D accountabilities***

Firstly and primarily to users of our service in the general public, then to members through the Board. These are the accountabilities of me and my staff. I am mandated and accountable regarding the values and principles in our constitution. There are further 'transactional accountabilities' to funders through contracts. We also have responsibilities to others in the community and voluntary sector for strengthening civil society.

**Figure 7F**     *Representation of candidate D's accountabilities*



Again, this CE is articulate and thoughtful about the nature of her accountabilities distinguishing between 'transaction' and 'responsibility' and 'accountability'. She links accountability to values and principles with the concept of mandate, that is; there are things one may or may not do because of one's role that therefore create both obligations and parameters.

***Tabulated accountabilities of the four CEOs***

The CEOs have varied ideas about the nature of their accountabilities. They named 3, 3, 6 and 3 groups respectively to whom they were specifically accountable. Three interviewees also named other groups but distinguished between accountability and responsibility (e.g. to staff), ‘transactional accountabilities’ (e.g. financial contracts), those to who CEOs are accountable simply on someone’s behalf (e.g. the Board on behalf of members). See table 7.1 below.

**Table 7.1.** *CEO accountabilities as listed and ranked by the CEOs*

CEO	Board	Member organisations	Client Communities	Funders	Values of the Constitution	Alliance partners / NGOs	Whole NGO	Gov’t dep’ts
A	1	Through the Board	3	2				
B	=1	=1	If constitutional values are right	=1	How I serve the membership			
C	1	3	6			4	2	5
D	On behalf of members	2	1	Transaction	3	Responsible to strengthen		

As per the results of the pilot study with local managers, answers were characterised by their variety of stakeholder emphasis (Kerlin, 2006). All CEOs felt accountable to their Boards, their membership organisations and to client communities. Three mentioned funders – the fourth was primarily funded from member levies, and had already listed members. Accountabilities to Boards, members, clients and funders all bear out descriptions from literature summarised in chapter four (Bear and Fitzgibbon, 2005; Chetkovich and Kunreuther, 2006; Christensen and Ebrahim, 2006; Smith Orr, 2004; Wilcox, 2006) and results of my own journal in chapter six.

Unlike my journals, two CEOs talked about accountability to the values found in their constitutions (Kerlin, 2006). Generally, values in a constitution take the form of the organisation's mission statement, among other expressions of values. This is evidence that these CEOs are mission-driven (Gatenby, 2004).

A notable feature of the way the CEOs answered the question was the extent to which they had well thought-out philosophies on what accountability meant for different groups. This was seen where distinctions were made between accountabilities as per the question and 'transactional accountabilities', accountabilities 'through' or 'on behalf of' other groups, and 'responsibilities to strengthen, or at least not undermine' other sector entities. No CEO mentioned staff.

Where local level managers were happy bundling long and inclusive lists of people they worked with into their 'accountabilities', national CEOs were more fussy about who counted. The level of precision that emerged within some responses indicated that CEOs gave thought to the question of accountabilities, and had come to specific conclusions

about their nature and significance. Their accountability ‘mindscape’ (Sergiovanni, 1991) was generally better developed. This was particularly true of interview candidates B and D who had been in the NFP sector for several decades.

I followed up in all interviews with a specific question on how client accountability manifested in practice within the national CEO role.

### **How does accountability towards clients manifest as a National CE?**

Two CEOs used the term ‘arms length’ when discussing this question. Two mentioned that their role was to ensure that relationships work well at the local level and implied their role was about supporting the processes. One discussed a journey that meant previously very little client voice was heard nationally but that technology and other developments were changing this for the better. One respondent noted this as a reasonably unexplored area for her organisation currently.

In service-providing NGOs, the question of accountability towards clients is closely linked with the concept of mission, and therefore also with effective NFP leadership (Kerlin, 2006). There seems to be a strong correlation in this case between the relationship that the agencies have with clients, and how clients may or may not play a role in leadership processes and accountability. For example, one agency in the sample provides a service that clients can partake of confidentially. This varies dramatically from ELPNZ’s relationship with clients, where each one is known to us, spends months or years receiving a personalised service from us often in their own home, and with whom we seek to work in partnership. The opportunity to involve clients in governance and management decisions and service

planning is considerably more than if we provided a service where clients need to be free not to give their name.

A second aspect of client relationship is whether the service is for all New Zealanders, or targeted to a particular portion of the population. Where a service is for all New Zealanders, there are not necessarily obvious members of the community with whom one needs to consult to have their view represented. ELPNZ and one other organisation in the cohort do not offer services to all, but to a particular client group where there are community leaders and organisations specific to the client groups. NGOs working with particular groups in the community have an accountability environment that includes other leaders and organisations, where universal services may well not.

A third distinction arising from this question is about working cross-culturally. Where the clients are not from the home culture (such as with ELPNZ – working with migrants and refugees), accountability to clients involves ensuring cross-cultural understanding. This may be provided by the clients directly, from community leaders, cross-cultural experts, another source, or some combination of these. ELPNZ and other organisations working cross-culturally not only need to work with community organisations and representatives from the various ethnic communities, but must be skilled in using cross-cultural information and building cross-cultural relationships. This adds another dimension to the accountability and leadership setting.

On asking the CEOs how a sense of accountability to clients manifested in their role, two CEOs mentioned client satisfaction surveys with results of 90 percent or higher. Both could

quote the figure immediately. The logic was that if clients are extremely satisfied with their service, accountabilities to the group were being met.

I note that ELPNZ has similar results from our satisfaction surveys historically. The cross-cultural dimension to our work, the language barrier all clients have, and the sense of indebtedness felt by clients receiving services from volunteers have all conspired to make me and others at ELPNZ doubt the quality of information in our own satisfaction surveys. Not all these barriers apply to the other organisations in the cohort and for some, excellent results from satisfaction surveys may well be a suitable proxy for client accountability, but this I do not consider this to be the case for ELPNZ.

Some service-delivering NGOs, for example those with services designed for all New Zealanders, or those with no ongoing relationship to individual clients, or those who do not necessarily work across cultures, have a considerably less complex accountability and leadership environment than ELPNZ, with regards to clients. One CEO in the cohort did have a similarly complex set of realities. Unfortunately for my own learning agenda, she was the CEO who felt this was a largely unexplored area for her organisation.

One further matter arose from this question. One of the CEOs mentioned that sometimes clients were involved in decision-making and sometimes not. She gave two examples. When the National Office was creating an information technology (IT) strategy, clients were directly surveyed and involved in design of the strategy. The strategy team did not expect the member organisations' staff and volunteers to be the best informants about clients' IT usage and needs, so asked clients directly. In this way they avoided 'over-listening' to staff and volunteers at the expense of clients (Wilcox, 2006). On another occasion, national staff

were considering the training needed by service delivery personnel. They felt no need to consult clients and simply decided that more training would be required across the board. She demonstrated differing approaches, one simple and one complex, depending on the situation. This CEO appeared to be demonstrating situational approaches (Hersey, 1985) to her accountabilities to clients characterised by adaptable behaviour.

This is the CEO who felt that her accountabilities were a circle. “You build a place”. She emphasised that CEOs need to be versatile. In her examples she uses different accountability behaviours depending on the issue. She is ready to simply make decisions where required, or to use extended and complex consultation processes where she deems that more relevant. She is able to see simplicity; however, her underpinning understanding of players’ roles and needs seems to be sophisticated. Although I have depicted her accountability orientation as a circle, I imagine it would be more accurate to have a changing picture depending on the exact nature of the task. This was the CEO who had been in her role for 19 years, and I believe her dynamic view of leadership and accountability processes - which she can demonstrate through examples - is linked to this superior level of experience and skill.

### **Do the CEOs have any sense of accountability to staff?**

The four CEOs were specific that they were responsible for, but not accountable to, staff reporting to them. This included ensuring staff felt supported, enjoyed their roles, and could contribute. In fact one CEO mentioned that you cannot be accountable for an effective team if they are not accountable to you. Another laughed at the relationship between CEO and staff saying “I’m not as accountable to my staff as they would like me to be”. However she

felt that having staff with opinions who would argue their points created “a different level of richness” which was important. This potentially illustrates room for both structural accountability processes and leadership processes within this CE’s organisation.

This result varied from some of the local level interview data I had previously sourced as well as one survey in the NFP literature where a sense of accountability *to* staff was a documented phenomenon (Christensen and Ebrahim, 2006). The phenomenon sprung from a belief that a leader is only effective towards clients and those who serve them through the team, not directly. This argument is less likely to be applicable to national CEOs given their distance from client services. Given the ‘confluence’ that staff may be seeking between life and work goals in their NFP jobs (Smith Orr, 2004) the CEs seemed to be using both accountability and leadership paradigms in their interactions with staff, with a preference for the accountability paradigm.

### **Leadership in the organisations: four stories**

I asked the CEOs to consider an example of major change or new direction in their organizations in the last two years. They were to describe how decisions were made to enact the changes. The next section provides summaries of their answers from my notes typed during the interviews (boxed), and discussion regarding fit with the leadership definition. I have defined leadership in chapter four as the process whereby people in NFP organisations voluntarily initiate and support acts intended to progress their missions.



**CEO A: example of major change**

*I have put in place a new senior management team that strikes a balance between operational services and compliance, and a two-year development plan to build the individuals' and team's skills.*

*I created a proposal. This received "incredibly useful" input from staff collated by an external (neutral) agency, and was endorsed by the Board.*

**Fit with leadership definition?**

This act does not fit with the definition of leadership. The support of the act was not voluntary by anyone other than the Board. Those lower down the hierarchy were given a genuine opportunity for input but the adoption of the plan was not voluntary. Although the interviewee has answered the question in that she has described how change has happened, she has not described a leadership process by my definition. This organisation is currently focused on a range of specific operational challenges and seems, potentially legitimately, to be working in a management rather than leadership paradigm.

**CEO B: example of major change**

*The quality arrangements in the organisation were changed. There was a lot of “groaning” from local managers about other members not meeting standards. “Someone” said there needed to be standards and we found a writer. There was a team around the writer. We took it out to the regions and the work was done voluntarily. The phrase “it’s all about the client” got tested when there was resistance to increasing standards. Some thought it unnecessary but the majority pushed for it, the Board backed it and were “really useful” at finding arguments about why change was needed and applicable to all. A new organisation started to emerge and one that was proud of its standards.*

**Fit with leadership definition?**

This example fits very strongly as an act voluntarily initiated, supported, and intended to advance the mission.

In this example work was undertaken voluntarily (by choice and in some cases unpaid) and was heavily participatory. Resistance to change by some was overcome by negotiation between members of the organisation, which given the national distribution of members, must have been part of a facilitated process. There is evidence that the mission was central to changes as the mantra “it’s all about the client” was put to the test in achieving consensus. Changes were not superficial. They encompassed work practices, relationships within the organisation, and how the commitment to clients was understood and interpreted. The outcome is described as “a new organisation” which “emerged” from the process.

**CEO C: example of major change**

*There was not a common visual identity in the organisation previously, but by 2009 we had managed to get it down to 2 logos. We've now agreed to adopt the international standards for the brand. The CEOs meeting has agreed on a common approach. The local boards have also been buddied up with members of the National Board so that the message can get out "governance to governance".*

**Fit with leadership definition?**

This example is a weak fit with my leadership definition. The support garnered from members to adopt standardised branding was voluntarily initiated by the CEO through a local and national CEOs forum, and supported by all CEOs eventually. There is some concern about the durability of this type of consensus and so further participatory and voluntary processes are mirrored at governance level. Although this example meets the definition of leadership in that agreement has been voluntarily reached, substantive "acts" have not been performed. This CEO has not put up an example of leadership processes that were particularly influential or far-reaching. It seems to fit with this informant's sense of constraint and frustration, expressed succinctly in a later question, that leadership processes were too tightly focused on the authority and autonomy of interest groups. Mutual goals, as usually expressed in a mission, seemed to me to be hampered by interests within the group.

**CEO D: example of major change**

*There has been a “conscious programme of leadership which I’ve implemented” using a strategic planning format. Representatives of all members work-shopped their “dreams” for the organisation and a ten year time horizon was set so that participants “weren’t bringing their barriers and their blocks”. Regional meetings were held and were “participatory and inclusive”, a group of strategic thinkers were brought together from both newer and more longstanding members, and an external review panel oversaw the processes. It was put into a framework and given a five year time-frame. The Board had final sign-off.*

**Fit with leadership definition?**

This example is another strong fit with my NFP leadership definition. Work was participatory and inclusive. The CEO sees herself as “implementing” a “conscious programme of leadership” and describes something that is clearly a process with multiple players. The external review panel is suggestive that the organisation is “targeting a niche” where it “does not duplicate what others are already doing well” (Chetkovich and Kunreuther, 2006, p58). Mixing together longstanding and newer members, removing barriers to thinking and “work-shopping dreams” all paint a picture of fundamental, cultural and mission-focused change that convinces and persuades people in the organisation, rather than using authority to implement change.

### ***Distinct leadership environments***

Two examples (B and D) were strong matches to the leadership processes described in my definition and to the name-change consultation process I journalled about (chapter six). In the other two cases (A and C), I asked the leaders if what they had described was indicative of leadership processes in their organisations. CEO A described three levels of decision-making: by the Board, by herself and things that needed client or community consultation. This informant did not focus on this third level in her examples or discussion which most lent itself to a leadership paradigm. This CEO had strong management experience but had been in her role for the shortest length of time (6 months).

Interviewee C described leadership processes that were historically quite troubled. She noted a small group of people from within the membership who saw the CEO as working to them. Her experience of “a whole bunch of bosses” collided with an expectation that she had taken up “a leadership role”. This CEO noted improvement over time and leadership had been recognised in her job description although there remained a lack of agreement over how this should work. The overwhelming tone of this description was frustration, and my impression of the leadership process was of dysfunction.

### **How would the CEs describe the role to their successor?**

Three CEOs provided a list of 3, 5 and 5 elements of the job, and the fourth CEO gave a descriptive statement. One of the four responses was based on an actual job description while none of the others mentioned their official job descriptions.

In analysing the responses I have created thematic networks - first generating 12 basic themes that fall into four organising themes - which together constitute the role of CEO according to the informants (Attride-Stirling, 2001). The results are presented in table 7.2. Numbers in brackets are the number of CEOs mentioning this area.

*Table 7.2. The role of the CEO – responses organised into thematic networks*

ORGANISING THEMES	<b>1. Operational Management (2)</b>	<b>2. Facilitating cooperation internally (2)</b>	<b>3. Positioning within the external environment (3)</b>	<b>4. Enhancing value/s (2)</b>
BASIC THEMES	1.1 Managing staff and budgets  1.2 Running services for members	2.1 Building relationships  2.2 Facilitating participation and accommodating discontent	3.1 Collaboration across the sector  3.2 Working with government  3.3 Representing the organisation	4.1 Continuous improvement  4.2 Building authenticity  4.3 Finding principles  4.4 Being a role model

One other area mentioned was that of ‘versatility’. This was specifically about being able to move between the different jobs and skills needed; to move “between a tower-top view and the grassroots”. This seemed more like a particular skill than an area of activity and has been omitted from the table.

### ***1. Operational management***

This was the most pedestrian of the areas mentioned, and only two CEOs mentioned it at all. They had the biggest and smallest budgets and staff respectively. One similarity was that these CEOs both had non-NFP sector backgrounds which may or may not be relevant.

Neither of these CEOs mentioned area 2 (facilitating cooperation internally) or area 4 (enhancing value/s) in their picture of the role but both included area 3 (positioning within the external environment). However, in later statements these two respondents described broader aspects of their work than the two areas mentioned in answer to this question directly.

### ***2. Facilitating cooperation internally***

This included “making relationships work, and fostering them where they don’t exist” and was specifically about the Board working well, the Board and member organisations working well together, and members working successfully with each other. The two CEOs who covered this theme (neither of whom mentioned management of staff or budgets or running services in their description) spoke extensively about it. It meant involving members and the Board in “direction setting”, and processes of “listening to all the feedback, is it positive, negative, critical, constructive, does something need sorting, is it ours to sort or someone else’s”. Both CEOs acknowledged that not everyone can be involved and part of the role is about “accommodating discontent”. The outcome of this process was “finding solutions” and “building a unifying vision for separate legal entities”.

### ***3. Positioning within the external environment***

Three candidates referred to themes that fall under this broad heading. Examples included

“collaboration and cooperation across [the] sector”, “seeking opportunities... and working alongside government to get them on board with that”, and “upholding and representing the brand”. Two speakers noted an international dimension to this part of the role. There was equal emphasis on fact-finding or “having a handle” on the environment, and on representing and positioning the organisation.

### ***4. Enhancing value/s***

The same two long-standing NFP CEOs who featured in category 2 above, also provided this organising theme. Continuous improvement meant building on strengths and “reviewing and interrogating areas that need to be changed”. One CEO felt that “attention to detail” was extremely important, but she did not mean this in relation to budgetary or operational management. Rather she thought that there needed to be a compelling “authenticity” about the way the CEO understood and led the business of the organisation. This might mean being a former volunteer or client, but in any case it was an issue of ongoing learning about the subject matter behind the organisation.

“Finding principles” was the role of the CEO when faced with complex debate, conflicting views, negative feedback or ambiguity. Part of this task – mentioned by one CEO – was finding the organisation’s “bottom line” and another part was about recognising what was “within your realm of responsibility”. The description suggested that the “realm of responsibility” of the CEO was not static but required ongoing interpretation as new situations unfold. This potentially links with another respondent’s earlier comment about accountabilities to the mission and ‘mandate’. “Role modelling” was another basic theme



that fell into the category of enhancing value/s. This CE stated that while she could not role model “portion size”, she did feel she could role model “sense of humour”.

I note that no CEO mentioned the mission of their organisation when discussing their role. However, two CEOs were specifically focused on values. I understood their descriptions of change processes as the CEs finding ways of interpreting and advancing their missions. This part of the role was tacit and described in terms other than the mission.

The CEOs responses have a number of similarities to my conclusions from the journaling inquiry. Organising theme 2: facilitating cooperation internally, is the clearest area of overlap with my description of multiple stakeholders and a role brokering relationships. Much of what is covered in theme 3: positioning within the external environment, is also seen in my descriptions of leadership processes that include funders, potential volunteers and other sector entities. Organising theme 1: operational management possibly relates to the role I play bringing business acumen to a traditionally voluntary agency (Bateson, 2008).

Organising theme 4: enhancing value/s was the most interesting and illuminating data arising from this question. ‘Finding principles’ was a familiar phrase that I had used in chapter six to signify my own role. Continuous improvement from a CEO’s perspective could have links to the ‘micro-techniques’ I have outlined such as summarising, paraphrasing and questioning others in discussion – something I do frequently as a means of challenging assumptions. Explicitly aiming to be a role model and actively building organisational authenticity are ideas that had not entered my thinking regarding the CEO’s leadership role. The idea of role modelling, while sounding obvious, has not been a deliberate strategy of mine. This may be partly because of my age compared to my staff, Board, and members,

although age well may not be prohibitive. Role modelling is a helpful prompt for more reflection.

Building authenticity of the organisation is another concept I had not articulated before. I understand this to be about developing a personal story and relationship with the organisation that is not static but requires ongoing engagement and study of the subject matter of the organisation. I mentioned in chapter two that my father's refugee background, my own migration and language learning experience in Hungary, and my professional experiences in the TESOL sector all gave me experience to draw on, and to explain myself to others, as a new CEO in 2006. What the interviews have added to this concept is that authenticity is seen by some CEOs not as a single historic story but is built in an ongoing way. The writing of this thesis could be construed as an act of building authenticity in my leadership, however I did not embark on it with that in mind.

### **How do the CEs judge success in their roles?**

The four CEOs detailed a range of ways they judge their own success that can be categorised into five areas: the Board's view (2), their members' views (2), how clients have been served (2), what funders think (1), and one's own view of the job done (1).

The Board's view of success was about delivering on the business plan and staying within budget for one CEO. For the other, it was about the relationship with the Board and feedback they gave.

Members were mentioned in terms of whether they were "inspired to contribute more".

This was knowable through formal feedback on surveys, after training events, in unsolicited

comments, the level of goodwill when things were asked of members, and in whether people “thanked us for the opportunity” when collaboration took place. Another interviewee had recently put in place a group of people from her member organisations to provide regular informal performance feedback.

Clients were important for one chief executive with regard to whether they perceived services as relevant and useful. Another interviewee asked herself if her work had changed one life, or quite a few lives.

One CEO was interested, when judging her own performance, in whether the government funder saw their investment as “value for money”.

One CEO judged herself primarily based on how far her own goals had been accomplished. She had two specific goals about empowerment of a particular client group, and a third about improving conditions for work in the sector. Although she was clear that others judged her “on all sorts of other things”, her own goals were how she judged herself. Her goals were related to her organisation’s mission.

Overall, the CEOs had differing approaches to judging their success. The fulfilment of a business plan as contracted by the Board contrasts starkly with the accomplishment of goals for the client group or sector workforce. The period of time necessary to complete each of these ambitions also varies, and does tie in with the length of time these two CEOs have been in their roles. The result is suggestive that in the first years, success may be more about completion of specific tasks while over time, one develops one’s own personal goals related to the organisation’s mission. The extent to which this link correlates over a larger sample of CEOs could be an interesting question for further investigation.

There are some common themes between interviewees' success measures and my own from the journals. I had noted success after the name-change consultation with members where "consensus had been built", and when "spontaneous applause broke out". This links with the respondent who thought success was knowable when at consultations, people "thank us for the opportunity". Where I developed the concept of "internal compass" through my journals and analysis, the CEOs used terms like "finding the bottom line".

### **Summary**

All four organisations came from not-for-profit subsectors that are shared with ELPNZ. Few however described their sectors using terminology that coincided with my subsector diagram (figure 2B). Although each organisation – like ELPNZ – delivered services, factors such as whether the service was universal or targeted, relationship-based or anonymous, were fundamentally formative in the accountability, and therefore leadership environment.

Each of the four CEOs had a different concept of her accountabilities but all saw themselves as accountable to the Board, the members and the client group. Three felt accountable to funders with the fourth being mainly funded by members. The level of felt accountability towards government funders was higher than that of local ELP managers in previous interviews, and distinct "ethical climates" (Rasmussen, Malloy and Agarwal, 2003) could be detected within and between entities. The informants were articulate and precise about the nature of their accountabilities and did not hesitate to distinguish between accountability, responsibilities, and transactional accountabilities, for example. One CEO would not rank her stakeholders but suggested "you build a place" which was a circle.

Mechanisms for accountability to clients varied from organisation to organisation. In some cases it was a direct reaction to the particulars, or lack of particulars, of the client group. One CEO was notably situational in her approaches to client accountability using a mixture of straightforward and complex techniques as she deemed necessary. Given that NFP organisations “must develop methods to scrutinize and build accountability to lateral and downward stakeholders” such as clients (Christensen and Ebrahim, 2006, p197), comparisons with other NFP organisations shed light on the fact that ELPNZ’s accountability to its specific client group is particularly challenging. The establishment of an ethnic advisory group, the healthy cynicism about satisfaction surveys and accompanying attempts to improve learner feedback processes, and the involvement of clients in planning and decision-making are all important ELPNZ initiatives given the organisation’s particular client accountability profile.

The CEOs were clear that they had responsibilities to provide for staff wellbeing but had no accountability to staff that reported to them.

Four stories of leadership were presented in this chapter. Two were rich pictures of multifaceted leadership processes strongly aligned to my leadership definition. One CEO had almost exclusively management examples, possibly linking to the phase that she and her organisation are currently in. The fourth CEO was struggling to find a leadership example in an organisation that appeared to have considerable incoherence and dysfunction at the national level.

The interviewees described their own role as a combination of operational management, facilitating cooperation internally, positioning the organisation within the external

environment, and enhancing value or values of the organisation. This last aspect took in the CEO's role in continuous improvement, building authenticity, finding principles, and being a role model. From my own list in chapter six, I can add; bringing business acumen, and sequencing activities to support hierarchical relationships (e.g. between the Board and members).

Five ways of judging success of the CEO emerged from the practical to the inspirational. These were Board appraisal, member feedback, client views, the funder's satisfaction, and a sense of success related to personal goals. Data were suggestive of a correlation between the length of time a CEO has been in the sector and their role, and the extent to which success measures are mission-related rather than organisational factors. Although the sample size is too small to draw any conclusion about this, it may be possible for new CEOs to actively develop their own goals related to their mission, and not just focus on more obvious operational goals of the organisation.

The picture that the interviews painted for me was one of CEs with complex environments both inside and outside their organisations. A notably large and disparate range of skills is required for the job. Some CEs were more operationally focused on organisational matters. Some clearly had personal ambitions for their social movement, mission and client group. The specific background of the CE, and the extent to which the organisation was in good health or facing difficulties, also seemed to influence how the CEs thought about their jobs.

## Chapter eight: Conclusions

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### Introduction

In chapter one I laid out the major research question for this thesis. How can NFP CEs in New Zealand lead their organisations effectively? The question sprang from my own appointment as a New Zealand NFP chief executive and a desire to provide effective leadership. Sub-questions to the research have implications for theory, for practice, for the NFP sector, and for my own work with ELPNZ. What are the specific leadership issues for the New Zealand not-for-profit sector? What is the relationship between accountability and leadership? What is effective not-for-profit leadership? What role do CEs play in leadership processes and how do they understand their accountabilities? How can I advance my own work as the CE of ELPNZ? I have set about answering these questions by describing a case organisation; working through the NFP sector, policy, accountability and leadership literature; examining a series of autoethnographic journals on my own role within the case organisation; and conducting interviews with four other NFP CEs.

In this chapter, I draw together results of the preceding chapters that relate to individual, organisational and sector dimensions of effective leadership in theory and practice. Firstly I draw conclusions for the academic literature on NFP leadership and NFP accountability. Next I look at the implications for practice, especially for NFP CEs. I note findings for ELPNZ and its Chief Executive role. I finish with closing remarks on effective not-for-profit leadership.

## **Findings for the NFP leadership and accountability literature**

NFP accountability literature to date has offered a number of conceptualisations and categorisations of the accountabilities an NFP entity holds. These include upward accountabilities – such as the organisation’s hierarchy and its funding contracts – which manifest in formal ways. Lateral accountabilities to other sector organisations and downward responsibilities to clients do not have formal manifestations. CEs “must develop methods to scrutinize and build accountability to lateral and downward stakeholders” (Christensen and Ebrahim, 2006, p197). I have proposed that NFP accountabilities can also be theorised as collective – such as to clients, funders and volunteers; and individual – through the formal reporting hierarchy. My study furthers the thinking on NFP accountability by expressly acknowledging and exploring the linkages between accountability and leadership. I have uncovered and described NFP leadership processes which provide effective “methods to scrutinize and build accountability” to clients, members and sector partners; and which work concurrently with hard forms of accountability to boards and funders.

Accountability being central to the question of effective NFP leadership, this study has produced new data on NFP accountability; as the way NFP leaders themselves understand their accountabilities has been a “largely unexplored question” (Cribb, 2005). There have been a few studies examining not-for-profit perspectives of accountability (e.g. Christensen and Ebrahim, 2005; Kumar, 1997 in Cribb, 2005; Woodward and Marshall, 2002 in Cribb, 2005) including one important piece of research in New Zealand (Cribb, 2005). However these studies seemed to react to a set of thinking about NGO accountability that had been



largely imposed, often by government. In response, the undercurrent in these works was often to find 'a not-for-profit perspective'.

My research into NFP accountability has sprung from an insider perspective (Patton, 2002). My part-time research is a secondary pursuit to my full-time work inside the NFP sector. I have capitalized on personal perspectives through my selection of a methodology increasingly recognised in organisational research (Parry, 2008). Autoethnography has allowed me to draw into a formal study the tacit theories-in-action that underpin my own work as a not-for-profit chief executive (Schön, 1983). The elapsing of time – two years between journal production and thesis completion – has made it possible to see the longer-term impacts and effectiveness of leadership behaviours and choices described in the journal. There were two leadership processes covered in my journal entries that contrasted in their approaches to accountability; one highly successful and one largely unsuccessful. These two stories underscored the effectiveness in NFP leadership of mapping and catering to all relevant stakeholders' needs.

My research has shown that leaders in a range of organisations see their accountabilities in a rich variety of ways. Not only do CEs display a range of views, but in some cases there was evidence of situational approaches to accountability, where a single CE changed her framework and approach depending on the specific circumstances (Hersey, 1985). CEs' ideas about their accountabilities included the operationally focused with Board and funder responsibilities at the fore, and strongly client focused with funder responsibilities described as a 'transaction'. One CE had a list of distinctions between internal accountabilities such as the Board, the whole organisation, and the collective of members. The final CE saw her accountabilities as a circle where various groups were important at different times and the

funder was sometimes the most important. The research, being deliberately open to multiple legitimate answers, has contributed new ideas in exploration of the sub-question; how do NFP CEs understand their accountabilities.

In this thesis, I have defined leadership as the process whereby people in NFP organisations voluntarily initiate and support acts intended to progress their missions. As well as operating within voluntary leadership processes, CEs are subject to formal management structures and systems. Hard accountability (Cribb, 2005) is an important part of the leadership landscape of a CE, and the successful negotiation of the organisation's formal chain of command is a prerequisite to effective leadership. Equally the NFP leadership process is the mechanism through which some of the collective, moral, downward and soft forms of accountability can occur (Christensen and Ebrahim, 2006; Cribb, 2005). The two concepts are interlinked and mutually dependent. One relates to a CE's role as the manager of a legal entity. The other relates to the CE's role as leader of a social movement. The social movement justifies the existence of the organisation while the organisation is a central point of leadership and advancement of the social movement.

I have discussed historical evolution within leadership literature that has moved away from the 'great traits' thinking and come to include followers, environments and situations in its definitions (Hogg, 2001). Borrowing this idea, I suggest that accountability orientations stated by interview candidates may not be 'traits' of the individual. Instead, accountability may be better understood as behavioural choices that can be adapted to different situations. Evidence of situational approaches to accountability within the journals and CE interviews supported this theory. Further studies could seek to confirm this phenomenon across a broader range of CEs, and test links to leadership effectiveness.

## Chapter eight: Conclusions

A review of literature led me to a description of effective not-for-profit leadership. It involves using the mission to inspire and engage others (Thiagarajan, 2004), bringing business acumen (Bateson, 2008), balancing passion and detail (Bear and Fitzgibbon, 2005), working with staff and Boards who might be seeking 'confluence' in their lives (Smith Orr, 2004), hearing clients (Wilcox, 2006), and maintaining altruistic intent in the face of competition (Smith Orr, 2004).

Having undertaken further data collection and analysis, I have made specific additions to this list. Effective leadership from an NFP CEO involves conceptualising and navigating a complex accountability environment. This will include upward accountabilities to funders and through the organisation's chain of command to the Board and members; lateral accountability to volunteers, other sector entities, and alliances; downward accountability to a client group; and may involve other accountabilities. Navigation of this landscape requires the meeting of hard accountabilities through formal processes on one hand; and the instituting of mechanisms through to build a meaningful accountability relationship with lateral and downward stakeholders on the other. I have questioned the paradigm of "finding the right balance" (Kerlin, 2008, p388) or even "walking the fine line" (Cribb, 2005, p58) between funders' and clients' needs. I put forward that the CE must *build a place* where members, funders, staff and the Board all express commitment to a shared interpretation of the mission. The act of building this place is about transferring information between disparate groups (e.g. the Board and funders, the funders and the clients), brokering relationships where there are none, building consensus, and sequencing conversations so as to promote and support organisational hierarchy and avoid dysfunction.

When major organisational change occurs across national NGOs, CEs may need to devise complex processes involving large numbers of groups. In my journals and in the other Chief Executives' descriptions of the leadership process, there were examples of elaborate sequencing of interactions between parties within and beyond the organisations. There were even year-long processes described that involved Boards, members, taskforces, client representatives, staff, external review panels and volunteers. The CEs leadership role has been described by an informant in my cohort as 'implementing a conscious programme of leadership'. Where these processes were undertaken fully, high levels of cooperation, motivation, good will, pride, and increased effectiveness were reported. Equally however, CEs need to be able to create shorter, straight-forward processes or simply make decisions, according to the issue, the situation, and the values or mandate that relates to the work. Knowing when to use what kind of leadership or management process is a key role of the CE. Being able to work across a range of approaches requires versatility.

Some CEs, such as longer-standing ones in my cohort, conceive other aspects to their roles. CEs may develop their own personal goals that are aligned to the mission of their particular NGO. They may also seek to build organisational authenticity, to enhance the value or values of their entities, and to act as role models for their social movement. Two long-standing CEs I interviewed seemed to embody the values and mission of their organisation. When combined with effective organisational management, CEs can embody the confluence between work and life, often sought by those around them.

### **Findings for not-for-profit chief executives**

CEs I interviewed spoke of four key areas to their roles: operational management, facilitating cooperation inside the organisation, positioning the organisation externally, and

enhancing values. There were some differences between the two CEOs who were newer and the two who were longer-standing not-for-profit leaders. Operational management was only mentioned, and talked about extensively by the newer NFP leaders. Those with more NFP experience were the only two to discuss the role in terms of enhancing the values of the organisation. The number of CEs in my survey was too small to be conclusive about the link between longevity and role focus, and certainly other factors also play into this distinction. However, the conversations were suggestive to me that CEOs with more NFP experience were more specific and articulate about intangible aspects of their missions than newer leaders. Newer leaders had more reliance on business plans and operational indicators of success. A broader study could seek to test this hypothesis. In the meantime, new CEs may wish to deliberately build a set of longer-term, mission linked goals and consider their roles in building authenticity, enhancing values and role-modelling.

Nonetheless, NFP CEs do have a key role to play in bringing business acumen and principles to the management of their organisations. This is likely to be more important in times of financial stress.

There are particular challenges for national CEOs in making real their accountabilities to service recipients. Some CEOs saw client satisfaction surveys as a useful proxy to measure responsiveness. There were examples in my journals and interviews where client responsibilities were seen as the realm of local members. Striking differences in approaches were sometimes explainable by differing client groups, or relationships with client groups. Again, situational responses that changed depending on the issue were visible in some of the cohort. The NFP CE must map, judge and implement the required response.

Another dimension to the effective NFP leader is the management of staff. While there were a great range of philosophies operating among the ELP manager cohort, there was considerable less diversity among the national CEOs. None felt accountable to staff, but all mentioned responsibilities to be a good employer, and similar. Some mentioned difficulty with staff as being typical, or highly time-consuming and problematic on occasion. Staff have accountabilities to the CEO, as all were able to point out. However, within the dual role of CEO as organisational manager and mission leader, staff may well react to both, and be disillusioned where their 'leader' becomes their 'boss' (Smith Orr, 2004). Staff expectations of the NFP CEO would be an interesting topic for further investigation.

On learning how to lead, one CEO summarised the multiplicity of learning approaches required and the dual nature of organisational management and mission leadership in the following description:

'You need to learn skills on the job, but that is not enough. I picked really good mentors – people who are really smart. I try PD [professional development] programmes. I join professional associations. Then you do study, not necessarily around management but around the parts of the work that allow you to be authentic and deliver.'

Having myself benefited from generous mentoring from smart people, professional development programmes, professional associations, and formal study, this statement resonated with me.

CEOs use a variety of approaches to measure their success and the effectiveness of their leadership including feedback from boards, members, clients, funders and staff. The

development and continual recalibration of an internal compass is a further and important tool that promotes leadership effectiveness. This approach is in stark contrast to the use of KPIs as discussed in this thesis, often best suited to hard accountabilities.

### **Findings for ELPNZ**

By mapping the sub-sectors of ELPNZ in chapter two and comparing with other CEO descriptions of their sector in chapter seven, the organisational characteristics of ‘specific client group’ (migrants and refugees) and ‘deliverable’ (English language skills) came into a new light. On one level, these two features of the organisation are self-evident. What this research has shown is the way the combination of client group and deliverable creates a range of overlapping subsectors of operation, a set of accountabilities to a particular subset of the general public (migrants and refugees language learners), and a durable platform for identity from which leadership can operate. I outlined in chapter two that a particular programme – home tutoring – had forged a unified national identity in the 70s, 80s and 90s. In the early 2000s, leadership broke down as the identity of the organisation drifted away from its practices. Comparison with other NGOs in the interview cohort stressed the individual nature of the identifying characteristics of ELPNZ, and the accompanying accountability and leadership processes. For other NGOs, the client group alone or a specific combination of activity, objective or deliverable created identity. For ELPNZ, ‘English language skills’ and ‘migrants and refugees’ form a unifying identity. Any potential departure from these foci should be considered in light of the impact on sustainable organisational identity and leadership effectiveness.

Client accountability is another aspect that creates unique and important challenges for ELPNZ, different from most other NGO client-groups. Language learners are far from

anonymous callers or one-off visitors, but have a personal relationship based on weekly in-home or community contact with the organisation that typically lasts for years. Learners by definition do not speak English confidently, are not independent operators in the community, and come from another culture. When asked for feedback their input may also be impacted by a sense of indebtedness for receiving a free service, possibly from a volunteer. The complexity of the client relationship suggests the need for richer accountability mechanisms than satisfaction surveys or similar. True responsiveness calls for opportunities for learners to feed back in home languages to people other than their volunteer or paid teacher, and for cross-cultural knowledge integrated into all levels of the organisation. The 3-5 year strategic plan adopted in May 2010 reflects organisational aspirations in exactly these areas (ELPNZ, 2010). The importance of mission focus (Gatenby, 2004) and building organisational legitimacy (Cribb, 2005), the advice to target a niche that creates value for clients (Chetkovich and Kunreuther, 2006), and the comparative analysis of organisations' varied stakeholder emphases (Kerlin, 2006) have all reinforced the learner accountability focus of the strategic plan as an important leadership direction for ELPNZ.

A clear finding from this study for ELPNZ was the distinction between the focus on the funder revealed in every entry of my journal; versus the low level of accountability felt by local ELP managers despite the majority of funding being public monies. This low level of responsiveness has been demonstrated in other NFP studies and equally seen as "surprising" (Cribb, 2005). A role of the ELPNZ CEO is to build a culture of accountability to the government funder at all levels of the organisation, as this cannot be assumed. The CEO also needs to be aware of this mismatch which seems akin to the differing "ethical climates"



normally used when describing the government – non-government divide (Rasmussen, Malloy and Agarwal, 2003).

In chapter three I put forward the following challenge, taken from the conclusions of my pilot study of the five ELP managers:

In the same way that moral accountability to learners is pitted against financial accountability to funders in [centres], moral accountability to [centres] is pitted against financial accountability to government at the national level. Whether moral or financial (or some other) accountability dominates the national level of governance and management would be a crucial question for the organisation and could form the basis for further research. (Szabó, 2005)

Over the course of writing this thesis, I have come to see the organisation's direction as being constantly reshaped by consecutive and concurrent accountability choices and behaviours. Like the overlapping and moving sub-sectors the organisation works in, overlapping and moving accountabilities can occasionally collide. By and large, the concept of moral, financial, legal, structural, or any other accountabilities dominating or prevailing has lost currency for me during the study. While a 'domination' paradigm may help to unravel why dysfunction or collapse occurs in NFP organisations, 'convergence', 'confluence' and 'building a place' seem more helpful ideas within functional, healthy organisations. I believe the enduring question for ELPNZ is not whether funder or member or client or other needs dominate, but how to build a place that accommodates all those who can contribute to the realisation of a vision: that migrants and refugees have opportunities to learn English,

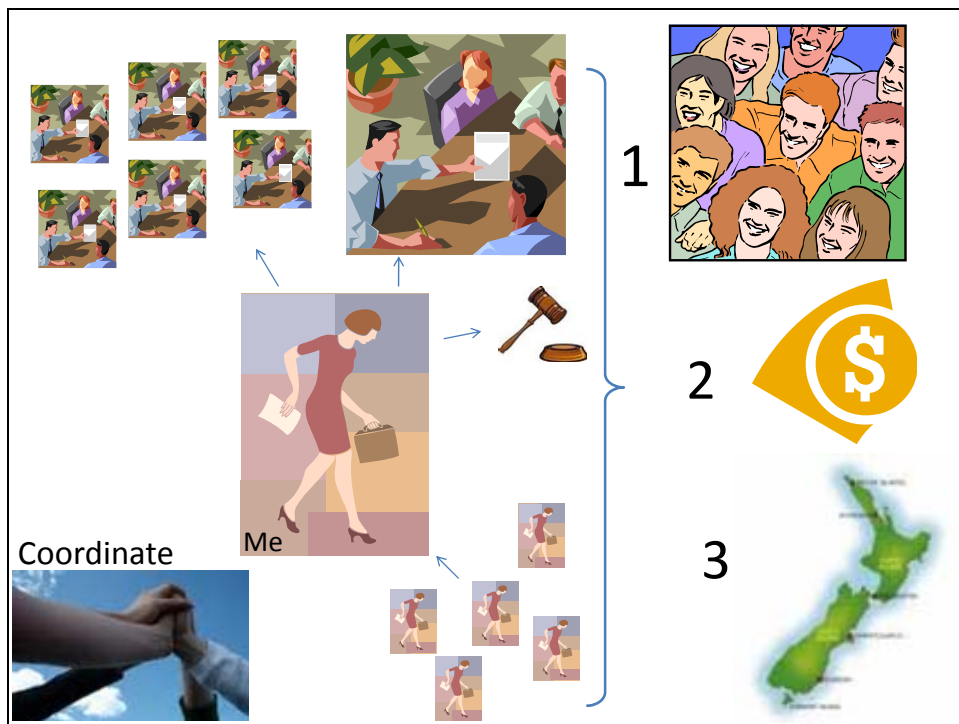
to pursue aspiration for themselves and their families, and to participate fully in life in Aotearoa New Zealand.

### **Findings for my role as ELPNZ Chief Executive**

At the beginning of this thesis I outlined my appointment as Chief Executive at the age of 27 to a national NGO serving migrants and refugees. Undertaking this thesis, as well as producing findings for broader application, has undoubtedly generated valuable learning for my work in this role.

My sense of what my accountabilities are has changed through engagement with literature, with local ELPNZ managers, with my journals and with other CEOs. I construe my accountabilities on one hand as collective and firstly to clients, but followed closely by funders and the broader community. I play a lead role in initiating and supporting organisational behaviours, systems, decisions and cultures that make us collectively accountable to these groups. Concurrently, I see myself as holding personal accountabilities to the Board Chair, the Board and the Centres that make up the membership. I also need to be in touch with the sector and uphold its reputation, collaborate and cooperate to the benefit of clients and avoid resource wastage. My staff are key players in the leadership process and also have accountabilities to me for their work. See figure 8A.

Figure 8A: *My accountability orientation*



Comments from my own staff, engagements with other sector leaders and funders, reactions of Board and centre members and client feedback help me measure my own effectiveness, with staff views having a special place in the mix. Ultimately however, extrapolating from my journals, I see it as part of my role to continually develop and refine my internal compass related to an authentic and personal commitment to the mission.

### Effective not-for-profit leadership

Bateson noted that a founding visionary with passion and common sense is no longer enough to lead not-for-profit organisations (Bateson, 2008). I have presented the not-for-profit Chief Executive as having a dual role of organisational manager and mission leader.

The role of organisational manager mainly functions within a paradigm of hard accountabilities as described in funding agreements and job descriptions. There is a formal

chain of command that holds the CEO to account personally for delivering on plans and meeting targets. Much skill is involved in undertaking this part of the role, and the success or failure of its execution is often clearly apparent in the organisation's financial position and its reputation. From an outsider perspective, organisational management can seem to be the only, or the main part of the CEO's role. When considering effectiveness as measured against the mission however, a viable organisation alone is insufficient.

The NFP CE must not focus solely or mainly on the tangible. In the same way that running an NFP entity needs more than common sense, leading a mission needs more than passion. Effective mission leaders see building authenticity and enhancing values as part of their role. This manifests as an ongoing engagement with, and hunger to learn about the essence of the work; a constant refinement and questioning of what is important; and a deep, personal commitment to the goals and aspirations of the mission.

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# Appendices

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## Appendix one: interview schedule

VICTORIA UNIVERSITY OF WELLINGTON  
*Te Whare Wānanga o te Ūpoko o te Ika a Māui*



### Leadership and the New Zealand not-for-profit sector

Claire Szabó, Masters of Commerce and Administration candidate, Victoria Management School

General issues for me as the interviewer

- I am employed in the sector and am a member of the target group for research i.e. CEOs of national not-for-profit organisations delivering government-funded services. Interviewees are personally known to me as sector colleagues. It will be important to establish the role I am taking in this project i.e. as researcher, not as sector colleague
- Based on earlier data collection within my own organisation and reviewing literature I have some views on accountability and leadership in the sector. There is no assumption that others are automatically of the same views
- The aim of these interviews is to understand how leadership and accountability work in sector organisations that fit a similar profile to the one studied in the first part of the thesis. Interview questions need to leave room for both similarities and differences to be established

Warm up and background (Establishing the key contextual factors)

1. Tell me a bit about your organisation. How do you describe it to people who don't know of it?
2. How many staff, volunteers, clients are involved in your agency? Budget?
3. I am looking at national NZ NFP agencies that deliver government contracts and have a membership. I'm interested in some of the factors that make such agencies succeed or fail. What do you think are some of the challenges facing such agencies today?

Unprompted description of the CEO role (to compare with data from journals)

4. Think about your role for a minute. If you were handing over to your successor, how would you sum up what the role is?

## Appendices

5. Thinking about the particulars of your organisation in the late 2000s context, what are the biggest challenges for the CEO role?
6. How do you judge success in your role?

### Leadership (Uncover the who, what, how, when and why of leadership)

7. Think of an example of a major change or new direction in your organisation in the last two years. Tell me how the decisions were made to enact the change.
8. Thinking for a minute about leadership in your organisation, can you tell me how the leadership process generally works?

### Accountability (To compare with data from pilot interviews)

9. One issue I've uncovered in my earlier studies is about accountability and the number of accountabilities leaders face in this sector. Who do you feel ultimately accountable to? After that? Please rank.
10. Do you feel accountable to clients? If so, how do you conceive them as a group? How can you represent their needs in your decision-making?
11. What (if anything) is your accountability to staff that you manage?

### Overall

12. Any other comments about NZ NFP leadership or accountability?

## Appendix two: information sheet

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*Te Whare Wānanga o te Ūpoko o te Ika a Māui*



### Leadership and the New Zealand Not-for-profit Sector

Claire Szabo, MCA candidate, Victoria University Wellington

#### INFORMATION SHEET

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You may know me as the CEO of English Language Partners New Zealand. I am also undertaking a master's thesis in management. This information relates to a series of interviews I am undertaking as part of the master's research, which is being supervised through Victoria Management School, Victoria University Wellington.

#### *The project*

The research is mainly looking at the impact of multiple accountabilities on not-for-profit leadership. So far I have conducted a series of interviews with local English Language Partners centres and produced a set of journals about my own role as CEO.

In the next part of my research I am interested in the experiences and practices of leaders of other national not-for-profit organisations that deliver government contracts and may have a membership structure. I hope that, given the similar profile of our organisations, this area of research will be of interest to you too.

#### *Consent requirements*

Ethical approval has been obtained from Victoria University to undertake this project. I am seeking your consent to be interviewed. I hope to conduct the interviews by phone in the last week of March or the first week of April 2010. No preparation will be needed. The process should take between thirty minutes and one hour.

#### *Data and confidentiality*

Yours is one of a number of interviews I would be conducting. Neither your name, nor the name of your organisation will appear in the research. Data from all the interviews will be synthesised and presented in the thesis so as to protect confidentiality. My thesis supervisor and I will be the only ones with access to the data, which will be stored in protected files and destroyed after five years.

### *Outcomes of the research*

Completion of the thesis is planned for June 2010. Apart from this, I may use data from this research in journal articles or other similar publications. Confidentiality will be treated in the same way as for the thesis. I will be supplying you with a short summary of the results of the interviews for your interest.

### *Not related to my work in the sector*

Although those being asked to be interviewed may know me through my work in the sector, it is not in that capacity that I am undertaking this research project. Interviews are purely for the purposes of the research, and interview candidates' choices to participate and disclose information, or not to, will not impact on the relationship you or your organisation has with me or English Language Partners New Zealand.

For more information:

Claire Szabó

Masters of Commerce and Administration candidate

Victoria Management School

[claire.szabo@englishlanguage.org.nz](mailto:claire.szabo@englishlanguage.org.nz)

021 677 907

Dr Deborah Jones

Thesis Supervisor

Victoria Management School

[deborah.jones@vuw.ac.nz](mailto:deborah.jones@vuw.ac.nz)

04 463 5731

## Appendix three: consent form

VICTORIA UNIVERSITY OF WELLINGTON  
*Te Whare Wānanga o te Ūpoko o te Ika a Māui*



### Leadership and the New Zealand Not-for-profit Sector

Claire Szabo, MCA candidate, Victoria University Wellington

### Consent to participate in the research

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- ☐ I have been provided with adequate information relating to the nature and objectives of this research project, I have understood that information and have been given the opportunity to seek further clarification or explanations.
- ☐ I understand that I may withdraw from this study at any time before the final analysis of data – 30 April 2010 – without providing reasons.
- ☐ I understand that if I withdraw from the project, I can determine whether data already given is to be returned to me, destroyed, or can be used in the project.
- ☐ I understand that any information I disclose will be kept confidential and presented so as not to be attributable to me or my organisation.
- ☐ I understand that the notes from my interview will be used only for the purposes of this thesis and any related publications. Any other use of the data will require my further consent.
- ☐ I understand that when this research is completed, the notes will be held for five years and then destroyed.

Signed:

Participant

Date:

Signed:

Claire Szabó, Researcher

Date: