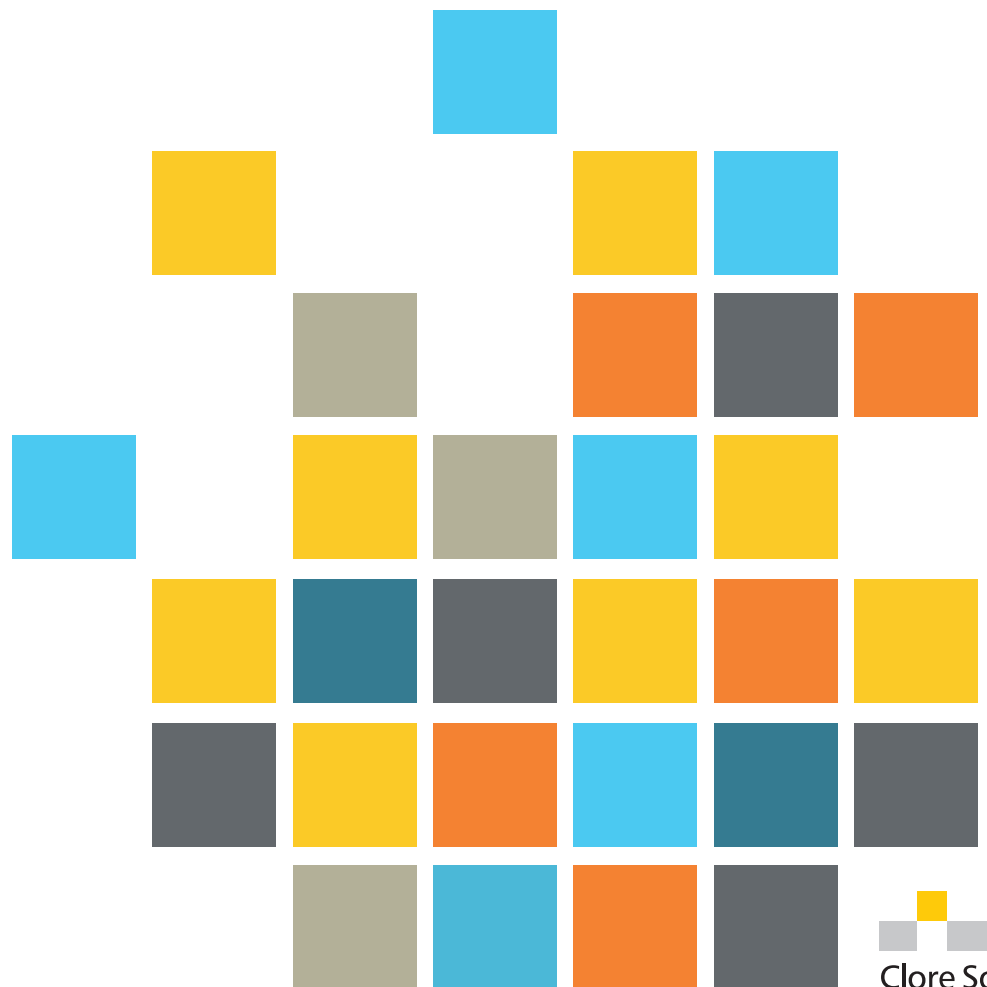


# Leadership Development in the Third Sector: Learning Lessons



This paper, *Leadership Development in the Third Sector: Learning Lessons*, is the first in a series of four papers from Clore Social Leadership which consider the issue of 21st century leadership in the social sector.

Clore Social Leadership has published these papers in a spirit of provocation, and looks forward to a rich debate on the leadership needs of the sector.

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This report was researched and written by Richard Harries on behalf of Clore Social Leadership.

### About Richard Harries

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## Leadership Development in the Third Sector: Learning Lessons

*“You already know enough. So do I. It is not knowledge we lack. What is missing is the courage to understand what we know and draw conclusions.”*

*- Swedish writer Sven Lindqvist, from his book Exterminate All the Brutes*

Leadership matters. In every walk of life we face the opportunity to take the lead: to set a new direction, to inspire others to follow us and to make change happen. From Plato to Machiavelli to Drucker, great minds have sought to tease out the essentials of leadership. Yet the more mundane question of how to systematise the process of leadership development remains elusive. Whilst notions of the ‘heroic leader’ are now considered quaintly old-fashioned, replaced by a recognition that leaders can come from all walks of life, there remains little consensus about how to create an ecosystem that successfully identifies and nurtures leadership talent.

This is the first of two papers looking at leadership development in the third sector. It approaches the topic from three different perspectives. It draws on experience from the last 15 years in the UK third sector; it compares this with approaches taken in different parts of the UK public sector; and it looks for lessons overseas, primarily from North America. What emerges is a picture of contingency and common challenges: where interest in leadership development ebbs and flows over the years; where the permanence of structural solutions appears inversely proportional to the strength of professional identity; and where little happens at all without sustained and significant resourcing.

### Lessons from history

Concerns about the breadth and quality of leadership in the third sector are not new. In 2002 the Association of Chief Executives of Voluntary Organisations (ACEVO) commissioned the Hay Group to carry out a landmark study of “the characteristics of outstanding leaders ... from the perspective of the leaders themselves”.<sup>1</sup> The main conclusion (perhaps unsurprising given the cohort) was that leadership was, and would continue to be, a huge issue for the sector. The report went on to claim that, whilst there are many similarities between leaders in the third sector and leaders elsewhere, there were also some critical differences. These included:

- the unique challenge of leading a diverse workforce of paid staff and volunteers – sometimes with highly personal motivations for engaging with the work – which suggested a need for visionary and inspirational communication skills;
- an acute sense of scrutiny of work from external eyes – from funders, service users, partners and the public – requiring charity leaders to possess high levels of self-confidence

<sup>1</sup> ACEVO, *Passionate Leadership*, 2003.

and resilience; and

- significant demand for ambassadorial roles outside the organisation.

Working together with National Council for Voluntary Organisations (NCVO), ACEVO built on this initial report with a call for a “new initiative to promote leadership development”.<sup>2</sup>

Through further interviews with serving leaders they identified yet more ways the third sector differed from the public and private sectors:

- a lack of resources, particularly in smaller organisations;
- a passion-driven psychological contract with staff;
- complex stakeholder accountability;
- governance arrangements that give rise to uncertainty about who is leading, the trustees or the senior team;
- more challenging performance management, “because it isn’t about counting widgets or profits”; and
- a lack of clear career development paths, making identification and retention of leaders challenging.

The validity of some of these differences between sectors is a moot point. Many small companies would claim to be equally resource poor and many larger companies would claim equally complex governance, accountability and performance management challenges. Nevertheless, there was a general consensus at the time that the third sector faced unique leadership challenges that required bespoke solutions.

The NCVO/ACEVO partnership led in 2006 to the launch of the Third Sector Leadership Centre, hosted at the Henley Management College and supported by a three-year £750,000 grant from the ChangeUp fund. Initial products of the Centre included:

- a National Forum for leadership development;
- an online directory of leadership development opportunities;
- over 50 regional ‘leadership champions’;
- a guide to leadership assessment tools and frameworks;
- a bank of case studies; and
- a series of events and seminars.

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<sup>2</sup> Margaret Bolton and Meg Abdy, *Leadership, Leadership, Leadership: A Call for a New Initiative to Promote Leadership Development in the Voluntary Sector*, 2003.

The creation of the Leadership Centre was welcomed by most in the sector. However, there were concerns that such a large injection of government cash over such a short period might distort the wider workforce development market – not least by creating unrealistic expectations about the cost and availability of training programmes. Instead, some argued that the development of a new culture of leadership in the sector required sustained funding over a much longer period, matched by a recognition from third sector organisations themselves of the value of investing in their people.

On the question of funding, it turned out the sceptics were right. A review by Capacitybuilders in 2009 concluded that, while the Leadership Centre had “delivered on its original remit” and “provided considerable leadership impetus to infrastructure organisations”, it had not done enough “to address its own sustainability issues”. In other words, the ChangeUp tap was being turned off. The partnership between ACEVO and NCVO broke down amidst reported acrimony on both sides and a revised business plan could not be agreed.<sup>3</sup> The Leadership Centre was closed before the year’s end.

The failure of the Leadership Centre coincided with the emergence of a wholly different approach to leadership development. In February 2008, a number of foundations including the Clore Duffield Foundation announced plans to launch a new leadership programme for the social sector, based on a successful programme for the cultural sector. Launched in 2009, the Clore Social Leadership Programme defined its mission as “bringing on the next generation of UK third sector leaders”. This ambition was matched with serious investment: £2.5 million over the first three years, triple the amount invested in the Leadership Centre.

Not surprisingly, Clore Social Fellowships are highly sought after. Every year, 20 fellows are selected and receive personalized support ranging from 360° reviews and individual training budgets, to bespoke coaching and mentoring, to secondments and residential workshops. Plus, of course, getting time to reflect on their development and being exposed to an unparalleled peer network. Having developed 125 aspiring third sector leaders, the programme has clearly been successful on its own terms. However, the programme has not captured the imagination to the same extent as its cultural precursor and the question remains about what support there is for the remaining 760,000 paid employees in the charity sector.

In part to address this latter question, NCVO launched a new commission into “the leadership and direction of civil society” in 2010, led by Baroness Tanni Grey-Thompson. The commission’s final report in December 2011 recommended:

- opening up effective career pathways;
- bringing together networks of emerging leaders;
- implementing a sector-wide development framework, with an expectation that paid

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<sup>3</sup> John Plummer, ‘ACEVO and NCVO Clash Sealed Fate of Third Sector Leadership Centre’, *Third Sector*, 17 March 2009, <http://www.thirdsector.co.uk/acevo-ncvo-clash-sealed-fate-third-sector-leadership-centre/infrastructure/article/890898>.

employees complete 40 hours' professional development per year (and equivalent measures for those working in a voluntary capacity);

- promoting mobility of leaders across the public, private and third sectors; and
- encouraging funders and commissioners to include management and leadership development in funding agreements and/or monitoring.

These conclusions are of course not wholly different to those reached by ACEVO and NCVO a decade earlier. And while they were hailed by Baroness Grey-Thompson as offering “a systemic solution to supporting emerging leaders”,<sup>4</sup> there was little detail on who would implement specific actions (such as developing a package of resources for Careers Advisors) or pay for them (such as writing off student loans for those who work in civil society for at least five years).

Most recently, in 2013, the then Minister for Civil Society, Nick Hurd MP, commissioned a wide-ranging review of third sector skills and leadership. Dame Mary Marsh (the former Chief Executive of the Clore Social Leadership Programme) cut through the usual list of symptoms and prescriptions to identify the root causes of the malaise, including:

- a sector culture hostile to leadership development, seeing it as “wrong and selfish”;
- a focus on existing leaders, not aspiring leaders; “something that happens at the end of a career, not throughout it”;
- too many sticks in the mud, “social action leaders tend to have longer careers with one organisation”;
- a concern about the cost of leadership development rather than the value added; “all of us are collectively better off, including our beneficiaries, if we avoid this narrow thinking.”

Among her recommendations was a call for funders to make leadership capacity an explicit part of their discussions when considering investments and for the wider sector to identify and support leadership pathways and the journeys of aspiring leaders through them.

It is clear that the debate about leadership development in the UK third sector has come on a long and difficult journey over the last 15 years. Reflecting on this history in a recent University of Birmingham working paper, Dr Rob Macmillan and Vic McLaren conclude that, “The question which remains is whether third sector leaders can overcome historic rivalries and the competition for scarce resources to forge a new strategic alliance and a strong strategic narrative vision to exploit that latent power, and provide leadership to empower the whole sector.”<sup>5</sup>

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<sup>4</sup> Andrew Holt, ‘Leadership 20:20 Commission Sets out Its Vision’, *Charity Times*, 15 December 2011, [http://www.charitytimes.com/ct/Leadership\\_20\\_20\\_Commission\\_vision.php](http://www.charitytimes.com/ct/Leadership_20_20_Commission_vision.php).

<sup>5</sup> Rob Macmillan and Vic McLaren, *Third Sector Leadership: Vexing Issues and the Power of Narrative*, 2012.

## Lessons from the public sector

Despite the claims we have already seen that third sector leaders face unique challenges, there is still benefit in looking for lessons from other sectors, particularly within the public sector where organisations are often driven by a similar sense of social mission. This section reviews the approaches to leadership development taken by the NHS, schools and the civil service. All three have taken different and distinctive approaches over the years, nevertheless some common themes emerge.

### National Health Service

The major push toward a structured approach to leadership development in the NHS started under the direction of Lord Nigel Crisp during his unique joint tenure as both Permanent Secretary of the Department of Health and Chief Executive of the NHS.<sup>6</sup> Drawing on his early career experience as Chief Executive of the John Radcliffe Hospital in Oxford, Crisp made a strong case for leadership development at both the local and national level, and sought to support the many ‘hidden leaders’ across the NHS.

However, he also recognised the difficulty of getting healthcare professionals – particularly doctors – to put their profession to one side as they take on clinical leadership roles. Another challenge was a deep cynicism bred from endless NHS re-organisations. Set against this, however, was the ‘guiding coalition’ – a small but influential group of politicians, managers and clinicians at the very top of the NHS who, in Crisp’s words, “had established an aligned way of working and communicating” and who he credited for the rapid progress made between 2000 and 2005.

Sir David Nicholson took over as NHS Chief Executive in 2006 and continued to promote the importance of good leadership, although the next major development did not occur until 2012 with the creation of the NHS Leadership Academy. With a budget of £44.8 million, the Academy offers a comprehensive range of development programmes for leaders at all levels in the NHS, including:

**Edward Jenner:** a completely open access programme for healthcare team members who want to develop their leadership practice and improve their impact on colleagues.

**Mary Seacole:** a one-year programme that prepares participants for their first formal leadership role, combining interactive content, video and scenarios with face-to-face behavioural workshops.

**Elizabeth Garrett Anderson:** a two-year programme for people ready to step up to lead larger functions or more complex projects. The programme leads to an NHS Leadership Academy award in Senior Healthcare Leadership and an MSc in Healthcare Leadership.

**Nye Bevan:** a one-year programme for aspiring directors, with exposure to top-flight institutions including the Harvard Kennedy School, and leading to an NHS Leadership

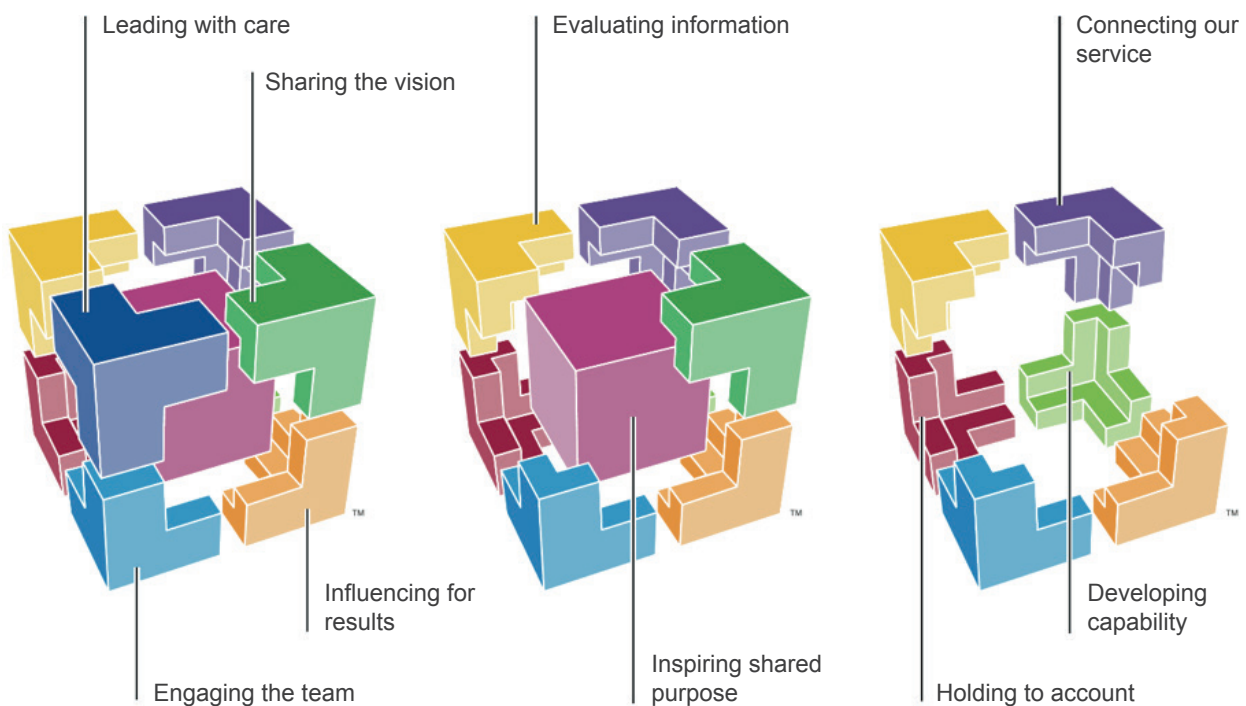
<sup>6</sup> Nigel Crisp, *24 Hours to Save the NHS: The Chief Executive’s Account of Reform 2000-2006* (Oxford University Press, 2011).

Academy award in Executive Healthcare Leadership.

**Top Leaders:** a programme for senior executive leaders seeking in-role development and support. Participants have access to a range of development interventions, including masterclasses, coaching, peer support and mentoring.

The philosophy of the Leadership Academy is underpinned by a complex nine-dimensional leadership model (see Figure 1). Individual leadership behaviours for each dimension are measured on a four-point scale, ranging from ‘essential’, through ‘proficient’ and ‘strong’, to ‘exemplary’. Behaviours are presented as a series of questions, such as “Do I behave consistently and make sure that others do so even when we are under pressure?” The questions are not meant to be answered with a simple “yes” or “no” but are intended to prompt reflection on intentions, motivations, strengths and weaknesses.

Figure 1: The nine dimensions of the NHS Healthcare Leadership Model



Source: Healthcare Leadership Model: Version 1.0 (2013), with kind permission of the NHS Leadership Academy

The sophistication of this approach – some might say its complication – reflects the unitary and hierarchical nature of the NHS, with statutorily-defined functions for each constituent organisation and clear role descriptions for every employee within them. This of course is very different to the inherent heterogeneity of the third sector. Nevertheless, it provides a template for a whole system approach to leadership.



Of course, the constant re-organisations of the NHS continue and following not one but two reviews of NHS leadership commissioned under the Coalition Government, the Secretary of State for Health, Jeremy Hunt MP, recently announced the Government's intention to transfer responsibility for the three-year old Leadership Academy from NHS England to Health Education England.<sup>7,8</sup> While this development obviously risks destabilising the progress made over recent years, and blurring the sharp focus on leadership created by a dedicated academy, the hope must be that these risks have been anticipated and will be avoided.

## Schools

In 1999, Prime Minister Tony Blair famously railed against the “forces of conservatism” that were holding back public sector reform, not least in education, “the greatest liberator of human potential there is.”<sup>9</sup> His government's response was to establish the National College for School Leadership, investing £28 million in purpose-built facilities at the University of Nottingham, described at the time as “Sandhurst for schools”.<sup>10</sup>

Like the NHS, the education system has seen its fair share of reforms since then (particularly the progressive marginalisation of local government) however the importance of strong leadership has remained a relative constant. As a result, the National College for Teaching and Leadership, as it now known, has accrued numerous additional responsibilities over the years, including:

- adjudicating on cases of professional misconduct;
- overseeing the induction process for new teachers; and
- improving the quality of the entire education workforce.

Indeed, the very success of the National College against its original aims has led to the emergence of a new distributed model of leadership, the ‘school-led system’, supported by a network of almost 700 teaching schools and a new cadre of leaders:

**National leaders of education:** outstanding headteachers who work with schools in challenging circumstances.

**National leaders of governance:** highly effective chairs of governors who support chairs in other schools.

**Local leaders of education:** experienced headteachers who coach or mentor new headteachers, or headteachers whose schools are in challenging circumstances.

<sup>7</sup> Ed Smith, *Review of Centrally Funded Improvement and Leadership Development Functions*, 2015, <https://www.england.nhs.uk/wp-content/uploads/2015/09/improv-ldrshp-dev-rev-sept15.pdf>.

<sup>8</sup> Stuart Rose, *Better Leadership for Tomorrow: NHS Leadership Review*, 2015, <https://www.gov.uk/government/publications/better-leadership-for-tomorrow-nhs-leadership-review>.

<sup>9</sup> ‘Tony Blair’s Speech in Full’, *BBC*, 28 September 1999, [http://news.bbc.co.uk/1/hi/uk\\_politics/460009.stm](http://news.bbc.co.uk/1/hi/uk_politics/460009.stm).

<sup>10</sup> “Sandhurst for Schools” to “Transform” Teaching’, *BBC*, 21 October 1999, <http://news.bbc.co.uk/1/hi/education/481243.stm..>

**Specialist leaders of education:** experienced middle or senior leaders with a specialism, who work to develop other leaders.

Where the National College used to commission and develop training programmes itself, these are now delivered by licensed providers across the country in conjunction with local schools. And although the College continues to quality assure the national qualifications, the long-term aim is even this should transfer to a body “owned by the system”.<sup>11</sup>

It is interesting to compare the relative maturity of this approach with that of the NHS. Teachers, like health workers, have clearly defined roles and functions. However, they also benefit from a devolved system of administration – originally through local authorities and now through a myriad of new partnerships and other arrangements.

### Civil Service

In comparison with health and education, leadership development in the civil service has followed a much less structured pattern. For many years, the ability of the mandarins to moderate the ambitions of their sometimes over-enthusiastic political masters was the stuff of legend (and TV comedy). However, Lord Butler’s stinging criticism of ‘sofa government’ in his 2004 report into intelligence gathering prior to the Iraq War led to a renewed recognition of the need to develop and maintain a cadre of strong leaders at the very top of the Civil Service. Sir Gus O’Donnell, Cabinet Secretary from 2005 to 2011, was particularly enthusiastic. His preference was for the ‘Future, Engage, Deliver’ programme developed by his personal coach Steve Radcliffe and an entire generation of senior civil servants were instructed in this approach.<sup>12</sup>

Responsibility for leadership development across the wider civil service was held for many decades by the Civil Service College in Sunningdale – a rather grand mansion set in 79 acres of glorious Berkshire parkland – and countless civil servants made the journey there for a spot of residential training. The college’s role changed substantially during the 2000’s, however, as individual departments began to design and commission their own programmes, on the grounds that these were better suited to their specific needs and the appetites of their people. This laissez-faire approach came to an abrupt end with the election of the Coalition Government in 2010. The imposition of tight spending controls led not only the closure of the college (then called the National School of Government) two years later, it also replaced this diversity of provision with a bland one-size-fits-all approach, Civil Service Learning, run by Capita and making extensive use of online e-learning.

The tide has started to turn again, at least for leadership development, with the publication by the Cabinet Office in early 2015 of a new ‘Leadership Statement’ setting out the behaviours the

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<sup>11</sup> ‘A School-Led System’, *National College for Teaching and Leadership*, 5 January 2015, <https://nctl.blog.gov.uk/2015/01/05/a-school-led-system/>.

<sup>12</sup> Radcliffe’s model exhibits striking – though no doubt entirely coincidental – similarities to the ‘Vision, Inspiration, Momentum’ philosophy developed by Max Landsberg some years earlier.

Government expects all leaders across the Civil Service to demonstrate (see Figure 2). This was followed at the end of the year by the surprise announcement of a new Leadership Academy. Giving evidence to the Public Administration and Constitutional Affairs Committee, Cabinet Office Minister Matt Hancock MP and Civil Service Chief Executive John Manzoni confirmed the Government’s plans to create the new academy.<sup>13</sup> When asked by the Chair, Bernard Jenkin MP, whether the academy was “going to be another contract”, Manzoni was clear:

*“No. Something called the leadership academy delivery partners rather than just an arm’s length delivery contract. Delivery partners, so that we can work with them to create the components of a leadership academy. It will also have a place and there are several competing places right now, which we are about to finalise on which place.”*

A fortnight later, the Government duly announced that two contracts had been let, with an estimated value of up to £150 million, to Korn Ferry Hay Group (for the Senior Civil Service) and KPMG (for everyone else).<sup>14</sup> No further detail is available about the physical or virtual location of the new Leadership Academy.

Figure 2: A new approach to leadership in the Civil Service

Civil Service Leadership Statement		
As Civil Service leaders, we take responsibility for the effective delivery of the Government’s programme and Ministers’ priorities, living the Civil Service’s values and serving the public.		
Inspiring about our work and its future	Confident in our engagement	Empowering our teams to deliver
<ul style="list-style-type: none"> <li>We will show our pride in and passion for public service, communicating purpose and direction with clarity and enthusiasm</li> <li>We will value and model professional excellence and expertise</li> <li>We will reward innovation and initiative, ensuring we learn from what has not worked as well as what has</li> </ul>	<ul style="list-style-type: none"> <li>We will be straightforward, truthful and candid in our communications, surfacing tensions and resolving ambiguities</li> <li>We will give clear, honest feedback, supporting our teams to succeed</li> <li>We will be team players, and will not tolerate uncollaborative behaviour which protects silos and departmentalism</li> </ul>	<ul style="list-style-type: none"> <li>We will give our teams the space and authority to deliver their clearly set objectives</li> <li>We will be visible, approachable, and welcome challenge, however uncomfortable</li> <li>We will champion both difference and external experience, recognising the value they bring</li> <li>We will invest in the capabilities of our people, to be effective now and in the future</li> </ul>

Source: [www.gov.uk/government/publications/civil-service-leadership-statement/civil-service-leadership-statement](http://www.gov.uk/government/publications/civil-service-leadership-statement/civil-service-leadership-statement)

<sup>13</sup> Public Administration and Constitutional Affairs Committee, *Oral Evidence: Introductory Session on the Work of the Cabinet Office*, HC 527 (House of Commons, 2015).

<sup>14</sup> Award of Learning Contracts to Provide Training for Civil Servants’, GOV.UK, 14 December 2015, <https://www.gov.uk/government/news/award-of-learning-contracts>.

## Lessons from overseas

International evidence about third sector leadership development turns out to be remarkably thin on the ground. The main exception is the United States and Canada where, for more than a decade, members of the Grantmakers for Effective Organizations community have been pioneers in supporting non-profit leadership.<sup>15</sup> A recent GEO report, written by a team from the Haas Business School at the University of California, Berkeley, offers key insights.<sup>16</sup>

The first – and most reassuring – is that under-investment in social sector leadership is not a problem unique to the United Kingdom. Despite the weight of evidence that poor leadership contributes to a range of mutually reinforcing problems (including the inability to attract great employees, costly turnover, poor succession management and burnout due to stress) spending on leadership development in the US social sector is a fraction of the amount invested in the private sector: \$29 per social sector employee per year compared to \$120 per private sector employee per year. As the Berkeley researchers put it, “hard-nosed organisations driven primarily by the bottom line invest four times as much per employee in developing their staff as do social sector organizations with equally complex missions and funding models.”

The researchers identify an additional challenge: individual donors prefer to support organisations with low overheads, while governments these days only want “to pay for success” (i.e. outcome-based commissioning). That leaves foundations to fill the gap. Yet, while there are some notable exceptions,<sup>17</sup> average annual support for leadership development accounts for just 1% of overall foundation giving.<sup>18</sup>

The second key GEO insight is a clear articulation of the capabilities that differentiate leading in the social sector versus leading in a business setting (see Figure 3). Drawing on a range of sources, including work by McKinsey & Company, interviews with social sector leaders and leadership experts, a review of ten years’ literature on the topic and relevant survey data, the Haas researchers propose that this framework should act as a guide for foundations when investing in leadership development.

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<sup>15</sup> GEO is a diverse community of 500 US grantmakers working to reshape the way philanthropy operates. It is committed to advancing smarter grantmaking practices that enable nonprofits to grow stronger and achieve better results.

<sup>16</sup> Laura Callanan, Nora Silver, and Paul Jansen, *Leveraging Social Sector Leadership*, 2015.

<sup>17</sup> For example, the Bill & Melinda Gates Foundation, the Ford Foundation, the Wallace Foundation and the W. K. Kellogg Foundation together provided nearly \$1 billion in leadership funding between 1992 and 2011.

<sup>18</sup> Laura Callanan et al., *What Social Sector Leaders Need to Succeed*, 2014.

Figure 3: Six capabilities of a social sector leader

 <b>Problem Solver</b>	 <b>Generous Collaborator</b>	 <b>Motivated Mentor</b>	 <b>Responsible Steward</b>	 <b>Applied Researcher</b>	 <b>Savvy Networker</b>
Unrelentingly puts the problem and needs of constituents at the center; agnostic as to model of the solution	Recognizes problem can only be solved at the ecosystem level, not by a single actor	Committed to the professional development and success of all colleagues	Prudent fiduciary with funds in the public trust	Anchors innovation, strategy, implementation in data and evidence	Taps colleagues and builds alliances based on awareness of strengths and limits of self and organization
Places solving the problem ahead of growing own organization or personal profile	Cares about contribution to the solution more than attribution of credit	Intentionally seeks to build own skills at feedback, active listening, difficult conversations	Plan-ful, strategic, manages to outcomes, committed to quality improvement, takes informed risk	Brings a learning mindset; prioritizes evaluation; hears constituent voice	Uses influencing skills to leverage partners and resources that would otherwise be out of reach
Uses values and mission to guide strategic choices	Actively nurtures growth and success of partner organizations as well as own	Recognizes the opportunity cost staff, volunteers and board pay working in the social sector; seeks to engage them in the mission in return	Seeks sector best practice as a guide; exercises sound judgment  Responsibility to constituents is top obligation	Committed to knowledge development, dissemination of results and accountability	Effectively manages relations with disparate constituencies

Source: *Leveraging social sector leadership* (2015)

The final GEO insight is the need for a more systemic approach to leadership development. This need reveals itself in a number of ways, including the lack of meaningful career paths, weak succession planning and the absence of a ‘talent bench’ at the most senior level of most non-profit organisations (similar to the points made in the UK by Tanni Grey-Thompson and Mary Marsh).<sup>19</sup> Also relevant here is what social leaders themselves say they need. A survey by McKinsey revealed that the most popular requests were for greater opportunities to experiment and innovate, and for sabbatical time for leaders to rejuvenate themselves, gain exposure and broaden their horizons.

<sup>19</sup> A 2013 survey suggested that nearly 70% of US charities lack succession plans.

## Conclusions

There is a wealth of evidence that well led organisations significantly outperform poorly led ones. And as the spotlight of public scrutiny continues to shine relentlessly on the third sector, the demands placed on its leaders are becoming ever more challenging. Confidence in the sector is at its lowest level since 2007, with charities now less trusted than supermarkets.<sup>20</sup> With a string of fundraising crises, the collapse of major frontline service providers, and the consequences of ongoing public expenditure constraints, the sector needs effective leaders now more than ever.

This paper has looked at leadership development from three perspectives. It found an awkward history in this country, with much hand-wringing but little progress. Yet it also found many of the same problems arising in the North American social sector, not least the lack of investment in existing and aspiring leaders. Possibly the most intriguing finding, however, came from the public sector, where the quality and permanence of leadership development appears to depend on well-defined professional disciplines and relative distance from Ministerial meddling.

Neither unity of purpose nor organisational stability are defining characteristics of the third sector. Indeed, the sheer variety and fluidity of the sector is what makes it attractive to many. That being the case, the question remains: what is the right ecosystem for leadership development in the sector and how can it be sustained into the medium and long term? It is not enough simply to wish that more resources were available or to demand that individual charities and social enterprises take more responsibility for growing their own timber. Instead, what is called for is a new accommodation within and across the sector, visibly led by existing leaders and actively supported by funders and grantmakers.

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<sup>20</sup> 'Trust in Charities Falls to under 50 Percent for First Time since 2007', *Civil Society*, 6 November 2015, [http://www.civilsociety.co.uk/fundraising/news/content/20729/trust\\_in\\_charities\\_falls\\_below\\_50\\_per\\_cent\\_for\\_first\\_time\\_since\\_2007](http://www.civilsociety.co.uk/fundraising/news/content/20729/trust_in_charities_falls_below_50_per_cent_for_first_time_since_2007).

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