

Building Movement

Inspiring Activism in the Nonprofit Community

Up Next: Generation Change and the Leadership of Nonprofit Organizations

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AMERICA'S YOUNG LEADERS FACE GENERATIONAL CHALLENGES, REPORT FINDS

Nonprofit Organizations At Critical Juncture As Boomers Retire

New York, NY-Today, the **Building Movement Project**, a national initiative to promote nonprofit organizations to work towards social change, announces the release of *Up Next: Generation Change and the Leadership of Nonprofit Organizations*. The report, produced in conjunction with the **Annie E. Casey Foundation**, with support from the **Evelyn and Walter Haas, Jr. Fund**, finds that young leaders in nonprofits face critical challenges that threaten organizational sustainability and must be addressed before their Boomer counterparts retire.

"People are just beginning to assess the impact that generation change will have on the many organizations with leadership that began their work in the 60s and 70s," says Frances Kunreuther, director of the Building Movement Project. "The realization that Boomers are reaching the age of retirement has begun to send shockwaves through the nonprofit sector."

In late 2002, the Building Movement Project conducted a survey with leaders in community-based nonprofits to identify core generational values, and variations in leadership style, in order to assess "best practices" for facilitating smooth transition of leadership. In 2004, the study was presented to groups of young leaders around the country. Their reactions and reflections accompany original survey findings in the final *Up Next* report, along with suggested methods for successful, productive changes in leadership.

Key findings on the challenges younger and older leaders face, and the differences and similarities in how they approach work, include:

The Boomers and Generation X enter(ed) nonprofit work differently. While Baby Boomers tended to emerge from larger social movements in the 60s and 70s, Generation Xers are drawn to the work out of a personal experience. This has significant implications, particularly for younger leaders who feel that older leaders undervalue their contributions because they didn't live through the same struggles.

The younger generation is equally committed to the work, but recognizes the need for personal time. Highly dedicated to their jobs, younger leaders want more space and time for family and friends. Over the years, older leaders have often merged personal and professional lives.

Both generations enjoy the challenges of leadership, and many plan to stay long-term in their organization. The assumption that younger leaders and staff are less committed to social change efforts is misleading and unhelpful to recruiting new leaders to the field.

Differences in leadership style exist. Younger leaders are trying to figure out how organizational decision-making can be more participatory, whereas older leaders have generally relied on a more hierarchical model with power concentrated in senior management.

There is agreement on leadership qualities. Both generations agree on the qualities of a good leader, including vision, communication skills and collaboration. However, younger people are looking for alternative models of leadership, such as teams or co-directorships, in order to reflect the democratic values they are fighting for externally.

They share similar views on education and training. While younger leaders often hold nonprofit management and other advanced degrees, both generations are ambivalent about the value of this kind of

preparation. There is a bias toward experience in the field and "content knowledge", as opposed to technical skills, particularly from the perspective of older leaders.

Creating a diverse workplace is an ongoing challenge. Race and gender issues continue to be present in social change groups; however, younger leaders more often talk about the challenge of running multicultural organizations. Older leaders often worked to diversify predominantly white organizations or worked in identity-based groups. There are now more multicultural organizations, which have additional needs and concerns to address.

"No matter what age you are, it's natural for people who have helped shape an organization to find it difficult to imagine a next step" says Kunreuther. "While younger leaders are frustrated by the lack of recognition by the Baby Boom generation, they are also empathetic to the challenges they face, including lack of retirement funds and an absence of lateral positions to move to at that stage in their careers."

Up Next offers several recommendations for how to address the issue of generational differences and the impending shift in the nonprofit sector. These include:

Invest in younger leaders. By setting aside biases from their early movement experience, older leaders can play an active role in encouraging the next generation of leaders, promoting their new ideas, and providing critically needed feedback from within and outside of their organizations. Funders can support this effort by encouraging investment in young leader and staff development.

Identify and nurture more leaders of color. There is a need to develop strategies to support a more multi-racial group of leaders who better reflect our communities and bring a full range of knowledge and ideas necessary to invent and implement effective programs that reach the entire community.

Make it viable for older leaders to leave. Social change organizations must develop financial support mechanisms for outgoing leaders, and ensure that reasonable salaries, benefit packages, and/or savings plans are implemented to yield the long-term security of the current and next generation of leaders.

Broaden sites of intergenerational discussion. It is critical to engage organizational leaders and staff, as well as boards of directors and other constituents in intra- and intergenerational dialogues covering topics such as past and current assumptions about issues and their causes, how these have been addressed, and how to move solutions forward in the coming decades.

Examine current organizational structures and expectations. Researchers and practitioners should continue to create and test new decision-making models and develop ways to train directors and staff on these arrangements.

Promote a healthier balance between work and personal/family life. We need to have discussions within, and among, organizations to understand how to create manageable jobs that allow time for family life, relaxation, and renewal. Funders can help by encouraging organizations to set realistic goals, rather than expecting them to try to do more with less.

"Young leaders based in local community organizations will provide the new ideas that take us into the next twenty years of social activism and public service. One of our greatest mistakes is spending too little time and energy cultivating leadership in the next generations-in all sectors, whether nonprofit, for-profit or in civil service," says Kunreuther.

"If we don't start sharing knowledge and building institutional space for the next generation of leaders, we risk wasting the great talents of the younger generation, and the dissolution of our best agents of social change."

To download *Up Next*, or for more information on leadership in nonprofit organizations, visit www.buildingmovement.org.

The Building Movement Project is associated with Demos: A Network for Ideas & Action, a nonpartisan public policy organization based in New York.

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Members of the press: Frances Kunreuther, Director of the Building Movement Project, and experts from the Building Movement Project team are available for interviews or background briefings. Case studies from the report may also be available. Contact Timothy Rusch at (212) 389-1407 or trusch@demos.org for more information.