

FROM THE INSIDE **OUT**

Leading Where It Matters Most

*The How-to Guide to
Leading Nonprofits for Impact*



TOM OKARMA

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to Leading Nonprofits for Impact

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For Julie & Jenny

May you always keep your servant's hearts, continue helping others,
and restoring hope to those in need

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INTRODUCTION

From The Inside Out

Estimated Time to Read: 7 Minutes

Why are there so many “great” leadership books and yet so few great leaders?

I’ve asked myself this many times... Spend a minute wandering down the business aisle at your local bookstore — you know, that place you go for coffee and to read the magazines for free — or take just a few seconds to browse Leadership on Amazon and you’ll be overwhelmed with how many books claim to hold all the answers to your leadership challenges.

And if you’re anything like me (and I secretly hope you are, since you’re holding my book) chances are you even own several of them — maybe even lots of them.

We’ve been studying behavior, productivity, efficiency, and leadership since one caveman surfaced, figured out he could get the others to hunt bear for him, and threatened to beat them with his club if they didn’t do it, and do it fast.

A perfect solution at first, until the other cavemen quickly tired of his tyrant behavior and refused to give him any of the food...

Throwing their clubs in the air they set fire to his cave before he could retaliate, and quickly grunted their votes for a new leader. Under new leadership their hunting became more efficient, leaving more time for innovation, and soon the wheel was born.

Okay... so maybe that’s not exactly how it went down, but I don’t think I’m off by much....

Everyone hates a dictator, but people look up to, respect, and often even love a good leader. Each of us — even if we are leading others — look to someone else for leadership in some areas. When we look to that person, we want to see all the things we want to become.

If I asked you to name three bad leaders you’ve encountered, I bet it would take you about three-seconds. But if I asked you to

name three good leaders you've encountered you might need a bit more time.

Leadership is hard. Good leadership is even harder. Great leadership can seem nearly impossible. But it is the great leaders that are remembered. They are the ones that bring about change. They are the ones that have significant impact.

I think we can all agree (at least all of us reading this book) that leadership — good leadership — is critical. And perhaps I'm a bit biased, but I believe good nonprofit leadership is even more critical.

You are the leaders bringing change to the world. You are the ones compelled to make a difference. You are the ones leading with heart, driven to achieve your mission and leave the world a better place than when you found it.

I've led in both the for-profit and nonprofit worlds, and I can say hands down — nonprofit leaders have it harder. Juggling the normal demands placed on a for-profit leader (team management and moving the organization forward) with the additional demands of a nonprofit — keeping donors happy, satisfying the board, managing a potential army of volunteers — all while keeping a smile on your face and being a perfect face of the organization to anyone and everyone you bump into. Oh, and don't forget saving the world — you better make that happen too... It's... exhausting.

That's why I wrote this book. Nonprofit leaders need something unique. The typical leadership book just doesn't cut it. You need something more — a leadership book that hits on each part of the overall challenge that is leading a nonprofit.

Since you picked up this book (and made it this far — thank you!) I bet you're looking for a new perspective. Perhaps some new ideas or methods you can try to make things happen.

You want your team to do more on their own, your board to be better, your plan for progress to actually work. Let's face it. You want change. You want your organization to make a bigger impact, and you know at the core of that is you. If you could just somehow find a way to be the leader you were born to be, you know you can make it happen. I'm here to tell you you're right. You can make change happen, even if it's failed before. You can get your nonprofit to the next level. You can make a bigger impact. And this book will tell you how to get there.

Great leadership begins from the inside out. It starts with you. You will never lead your organization or board to change if you haven't first mastered the art of leading yourself. But succeed there and you will be unstoppable.

This book is broken into four parts, each designed to build on each other. But just in case you're human and don't want to wait until you're half-way through to get to the parts you want most, I'll give you a shortcut.

Work through Part 1 first, then skip to the section that lines up best with your most urgent challenge. This will help you get the most value out of the book fastest. Once you've gained insight, I invite you to go back to the other sections. You might be pleasantly surprised at what you learn and how your leadership in other areas will improve.

This is not a read-in-one-sitting kind of book. Many of the chapters contain questions at the end for you to evaluate your organization and leadership. They will require you to pause and reflect. If you want to get as much as possible from the book, you'll want to take a few minutes to answer each of the questions as honestly as you can. If you take the time to do the work, I promise you it will pay off in the end.

And now let's begin your journey From the Inside Out.

PART 1:

LEADING YOURSELF

CHAPTER 1

The Good, The Bad, & The Unknown Leading Yourself First

Estimated Time to Read: 11 minutes

Before you can successfully lead others, you must first know how to lead yourself.

Each day you're pulled in a hundred directions at once. Called upon to balance a variety of important factors—people, problems, budgets, priorities, strategies, etc.

To make it all work you have to have self-confidence and an unwavering commitment to the agency's mission. This can only be done well when you understand your own strengths, weaknesses, preferences, style, competencies, and values. You must know your own professional make-up — strengths and weaknesses.

Unless you are comfortable in your own skin and firmly anchored in your values, you might waiver when making decisions, treat everything as relative, and be seen by others as inconsistent. Such a leader will have trouble building or leading an effective team or successful organization.

Featured in Harvard Business Review article *Managing Oneself*, Peter Drucker said:

“To do things well, you'll need to cultivate a deep understanding of yourself, and only when you operate from strengths can you achieve true excellence.”

But he goes on to warn us about relying on skills and strengths alone in our pursuit of leadership.

“What one does well—even very well and successfully—may not fit with one's value system.”

Leading only from one's strengths and skill, without having a set of values to guide your judgement and leadership, can lead to ethical and moral problems.

Think of the infamous hacker. Threatening millions of systems

and users each day. They certainly possess — and perhaps even manage — from certain skills, but they are void of the values it takes to be a true leader. It takes skills, strengths and values to be a successful and respected leader.

Drucker goes on in the article to emphasize the importance of a self-inventory and raises the following self-management questions:

- What are your strengths?
- How do you perform?
- How do you learn?
- What are your values?
- Where do you belong?
- What should you contribute?

Expanding on Drucker's questions, I believe leaders should review themselves using these questions, bearing in mind the need to be brutally honest. I invite you to take a moment and answer these questions. If you're unsure of the answers — and you definitely won't be alone — you may find yourself struggling to lead from a place of confidence.

- What are my values? What is most important?
- How do I live these values out?
- What do they look like each day?
- What are the skills that I do well?
- What do I do better than anyone else?
- What are my strengths and weaknesses?

**Faking it never works for true leaders.
Neither does intimidation or indecisiveness.**

Fake it till you make it. We've all heard it. But does it actually work? When a leader lacks self-confidence, clarity in their own values, or is unsure of the agency's future direction, everyone around will see it... and it's not pretty. If people believe you're in over your head, you'll have a hard time recovering. In order to lead well, a leader must both know themselves and regularly practice effective leadership techniques.

By knowing yourself, you need an understanding of which skills you are gifted with and which ones you may not be. It's important to remember, each of us has a unique set of talents and gifts. But it's equally important to realize that none of us have been given an endless supply of talents and gifts. Now, don't get

me wrong. I truly see great nonprofit leaders as superheroes in their own right, but it takes time and effort — lots of it — to get to that point. And don't forget... even Batman had Robin.

It can take a little bit of brutal honesty to admit potential areas of weakness, but it can also be freeing as now you know what skills gaps need to be filled by others. Having Robin didn't make Batman weaker, it made him stronger. It bears repeating. Robin made Batman stronger. Capable of doing more, focusing on his unique strengths, and working together as a team to save the world.

Leaders become great when they lead from their strengths, face their weaknesses head on, and fill their team with people who are gifted in those areas the leader may not be.

It's likely you already know which skills and competencies you do really well, and which ones you can perform reasonably well. You may already have some understanding of which areas give you trouble. To lead a successful organization, you need to surround yourself with people who are better skilled in your weaker areas and rely on their expertise. I know it can be tough, but I've been there too...

In my previous days of leading a 300+ person organization, the leadership team and I would spend a decent amount of time reviewing financials. While we understood the basics, we weren't analyzing our financial reports at a level we should — to gain true insight. I knew we needed something more. Fortunately, we found an outstanding number cruncher who understood the finances inside and out. He was skilled at not only translating those numbers into plain English, but effectively communicating what the reports were actually telling us.

Knowing yourself, and understanding your strengths, skills, and values, will make you a better leader. Remember, few if any leaders are gifted with every skill needed to succeed. Identifying, understanding, and complementing your weaknesses with a strong and diverse team, will help setup both you and the organization for success.

Since we all tend to have a biased view of our own skills, it can be helpful to seek impartial, outside help. There are a wide variety of tools available — in the way of behavioral assessments, personality assessments and leadership evaluations. I've taken many of them at different times during my career and

found them to be spot on. I came to better understand what skills I was proficient in performing and which I needed to develop.

I was once evaluated with an assessment known as the 360 Review. While a bit daunting at first, it's a very powerful tool. It assessed my performance and leadership skills by asking my boss, my team, and peers a series of confidential questions. It looks at a leader from all sides to give you a full picture. From the review I discovered four unique challenges that were holding me back.

1. My reviewers combined to remind me that as CEO, I owned our mission and vision and needed to send clear, consistent, and frequent messages to our employees. I needed to reinforce our top 2-3 priorities and why they were so critical. This would help provide clarity and identify any disconnect between our mission and what we were actually doing. To get better in this area I began to invest a lot of my time in staff meetings reviewing what we were trying to accomplish, why we felt it was the best course of action for us and evaluate our progress.

2. I also learned at times I was inadvertently overshadowing some of my staff when we had guests in the building. I tried to carefully manage my presence as the CEO so they could shine in front of the others. However, they also felt I should increase my direct involvement with these partners and guests, being careful to not disrupt their roles.

3. The responders said I should be clearer in mission and vision regarding what risks we would be willing to take and where to draw a boundary line in the sand. Yet, they also said I should ensure we were moving at the speed of the marketplace. They wanted me to ensure things got done and decisions were made in a timely fashion.

4. Finally, they felt we needed to celebrate our successes more and that I needed to be a big part of that effort. I can be pretty task oriented, tending to focus on getting things done and can easily forget that we need to take time to celebrate and thank everyone for their efforts. We soon implemented the occasional office pizza lunches, Friday afternoon ice cream socials, and other activities designed to celebrate our accomplishments as a team and company.

I cannot overstate how helpful tools like the 360 Review and

other assessments can be, to sharpen your leadership. You will come to know yourself better, how your leadership is perceived by others, and what steps you need to take to be better.

To start or continue your self-discovery journey -- as well as gain some immediate feedback and insight -- I invite you to take the Leadership Styles Test on my website.

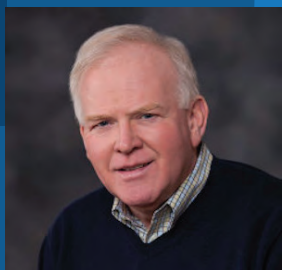
Visit www.TomOkarma.com/Learn

FROM THE INSIDE OUT was written for nonprofit leaders and those who are called to make a difference.

Having served as a board member, volunteer, and donor in addition to working with many nonprofit leadership teams, top-rated author Tom Okarma takes a unique perspective on what it takes to lead successfully in the nonprofit world.

Focusing on four strong elements of nonprofit management, Tom coaches you through the journey to become the leader you were meant to be. Discover how to successfully lead yourself first, then your team, your board, and finally how to lead positive change. This book will give you the tools and insight needed to put it all together and successfully lead change efforts in your organization.

Tom combines tried-and-true leadership strategies with real-world experience, making this seemingly difficult journey you face seem possible.



ABOUT TOM OKARMA

Tom Okarma is a top-rated nonprofit leadership author, keynote speaker and consultant in strategic planning, board development, and board governance.

His devotion to helping nonprofits, combined with over 30+ years of business experience, make him a dramatic force for change, helping nonprofits increase their impact.