

## CAPSTONE Workshop on Leadership and Governance in NPOs 19 September – 21 September 2023 | New Delhi

Participatory Research in Asia-PRIA, New Delhi conducted a 3-day workshop on Leadership and Governance in Non-Profit Organisations. Chief Functionaries from 9 organisations across the nation participated in the workshop held in New Delhi starting from 28 February to 2 March 2023.

The objective of the workshop was:

- Developing clarity on the meaning and roles of leadership in non-profit organisations.
- Discovering self to improve leadership styles and qualities.
- Understanding governance in non-profit organisations and the functioning of the Governing Board.

The workshop was initiated with a round of introductions where participants shared their names, about their organisation and its work and their role in the organisation. It was followed by expectation setting. The major expectations were:

- Role of leadership in an organisation
- Developing the second line of leadership and succession
- Effective decision-making, delegation as a leader
- Leadership’s interpersonal relationships
- Building and nurturing organisational culture
- Role of leadership in resource mobilisation and programmes
- Self-care of leadership
- Leadership challenges in small and mid-sized CSOs
- Engaging board and good governance
- Talent management in the organisation as a leader
- Strengthen organisational structure
- Effective communication to stakeholders

Dr. Kaustuv shared the workshop objectives and design with the participants stressing the expectations to be fulfilled.

### Session 1: Meaning and Role of Leadership

The participants were a mix of founders and non-founding leaders and were asked to answer what they understood by leadership.

#### What do you understand by leadership?

Objectives	Responsible	Change / Impact	Group
Ideas/Ideology	Implementing ideas	Effective management in the group	
Vision	Future	Influence people towards the objective of the organisation	

The first function of leadership in an organisation is to articulate the purpose/vision to answer **why we exist** i.e., the purpose of the organisation. They should be able to articulate and communicate the perspective behind that purpose.

It is important to acknowledge that this ‘why’ is dynamic, and it keeps changing. The vision may not change but as the context changes, the specifics of the ‘vision’ may need to change. Otherwise, it may be rendered irrelevant.

*Founder should have the ‘dynamic clarity’ and not the ‘static clarity’.*

Second, **influence your team members to willingly support that purpose.** To be an effective leader, a certain set of competencies are required– clarity of vision/purpose, ability to influence colleagues, and vision to be able to repurpose, build and rebuild organisational culture. The managers also perform some leadership roles and vice versa but the primary role of a manager is to make sure that rules and regulations are being followed.

Other than the people internal to the organisation, the leadership function also includes influencing people outside the organisation in such a manner that they also establish a stake in the purpose of the organisation. There could be multiple ways to establish that communication and engagement.

*External communication is as important as internal.*

Characteristics of Leadership Function	Characteristics of Managerial Function
<ul style="list-style-type: none"> <li>• Innovates</li> <li>• An original</li> <li>• Develops</li> <li>• Focuses on people</li> <li>• Inspires trust</li> <li>• Long-range perspective</li> <li>• Asks what and why</li> <li>• Eye on the horizon</li> <li>• Originates</li> <li>• Challenges the status quo</li> <li>• own person</li> <li>• Does the right thing</li> </ul>	<ul style="list-style-type: none"> <li>• Administers</li> <li>• A copy</li> <li>• Maintains</li> <li>• Focuses on structures and systems</li> <li>• Relies on control</li> <li>• Short range view</li> <li>• Asks how and when</li> <li>• Eye on the bottom line</li> <li>• Imitates</li> <li>• Accepts the status quo</li> <li>• Classic good soldier</li> <li>• Does things right</li> </ul>

After debriefing, the forum was open for questions-

1. If a leader's vision is changed, how do they translate it into organisation?  
*It doesn't have to be through existing organisation. The Leader can open another entity to carry forward another cause. Shutting down is also part of the organisational life cycle. So, if you are not able to attract resources, maybe shutting down is an option to consider after reflecting on 'Why'.*
2. Why are young people not joining your organisation?  
*Vision is not correctly articulated or the means to communicate are wrong. Leadership function has to be performed across all lines/departments, at all levels.*
3. People leave once we train them for the second line of leadership. It is a huge setback for a smaller organisation.  
*A sense of ownership should come from inspiring/influence.*

*Divide the roles you played last Friday into managerial and leadership roles. Most participants have spent less than 30 percent time performing leadership functions. 70 percent of the time should be spent outside the organisation, i.e., external stakeholders (e.g., interacting with the District Collector). For example, visiting colleges may help you to understand youngsters' mindset and motivation and hence would be able to influence them better for volunteering/joining your workforce. Engage in intelligence-gathering conversations.*

## Session 2: Developing a Conducive Organisational Culture

Culture is a set of norms followed or collectively shared behaviour which is manifested by a set of values like respect, transparency, equality, etc. For example, we celebrate all festivals together irrespective of the religions we belong to. Having such cultures helps in bonding, developing solidarity, association with other religions and developing a better understanding of other people in the organisation. This also gives way to trust among co-workers.

Dr Venkat from RITHAM Charitable Trust shared that there are multiple practices to promote the value of equality in their organisation. For example, the salary for both male and female staff based on their qualifications, and experience is the same for the same position. He also shared how toilets are the same for everyone irrespective of their caste, creed, position in organisation, etc.

There is a difference between norms (practice) and rules. Culture comprises norms of Dos and Don'ts. It's a way of working and doing. A practice established over time can become a tradition.

The participants were then introduced to the OCTAPACE instrument which helped them to look at some of the values and beliefs of their organisation. Participants could differentiate between highly valued and widely shared values/beliefs in the organisation.

**It's important to clearly specify what practices reflect a value.** Because if we don't create a culture, some culture may emerge that may not be desirable. For example, **competitive practices in culture, distort information.** In promoting such values, collaboration takes a back seat.

## Session 3: Leadership in NPOs – Authority, Delegation and Accountability

The participants were divided into two groups and were given case studies with two different situations and were asked to answer the following:

1. What are the issues here?
2. How these issues could be solved?

Group 1 shared that the directors didn't have any autonomy. They didn't trust each other and hence were not able to collaborate. There should be processes and structures to make the values explicit so that both could make decisions in the light of those values. If they were aware of expectations from them, they may have acted differently.

Group 2 shared that both the program directors were not trained or nurtured to undertake this role. There were gaps in delegation and autonomy. The team wasn't empowered enough to make decisions independently. They had a lack of preparedness, and the consultation process was missing in decision-making.

There are two kinds of leader personalities – abdicator and confiscator. Abdicator delegates everything without offering support and guidance while confiscator doesn't delegate at all. Delegation should come with trust and assessment of the capacities of the individual.

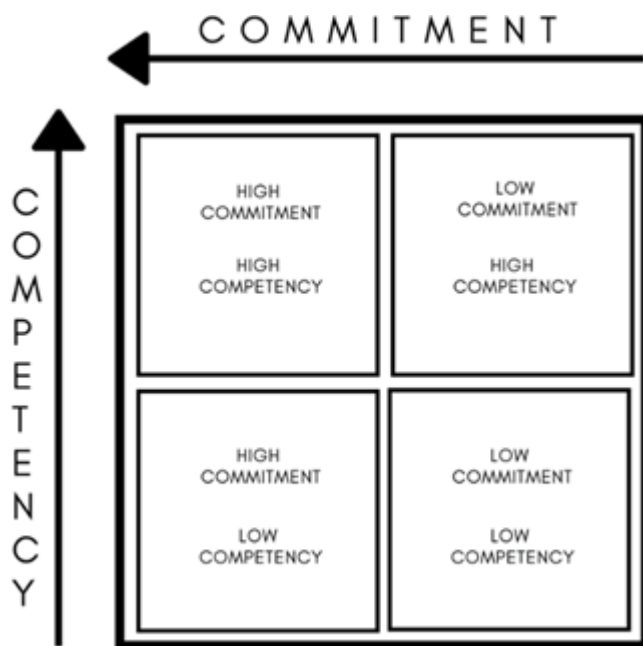
### **Recapitulation – Day 1**

1. Would I face resistance from the workforce to introduce a value like punctuality?  
*Maybe. Firstly, try to develop some consensus around these rules and then they should come with rewards and punishments to enforce them effectively.*
2. What should be written as rules and what are unwritten practices?  
*There will always be certain unwritten practices like mutual respect, etc. that have to be communicated verbally and through practice.*
3. How to tackle ego issues within the organisation based on age, experience, duration of association with the organisation, etc.?  
*Appreciating experience and creating a performance culture. The organisation is much bigger than the individual. The objective of the organisation is much more important than relations and people. External facilitation might also help in conflict resolution.*

## Session 4 – Exploring Leadership Styles

There are two dimensions to leadership style, one is task, and another is people. The orientation also depends on the needs, e.g., people you deal with, organisational structure, work requirements, etc. The higher P score and relatively lower score on T show a leader's orientation towards relationships while a lower P and higher T show one's emphasis on task accomplishment. A balanced score towards the higher side is ideal.

The below-shown matrix can be used to decide which leadership style to choose based on the commitment and competency of the employees & needs of the situation.



Employees who have high commitment and high competency need delegation. Employees with low competency and high commitment need coaching. Employees with high competency and low commitment need participation. Here the problem is motivation and a sense of engagement/ownership that has to be instilled by making them participate. Employees with low commitment and low competency should be instructed, provided with timelines, continuously reminded and guided to accomplish their tasks. With such employees, both the T and P of the leader should be high with a relatively higher T.

## Session 5: Leadership and

### Interpersonal Relations

To understand leadership and interpersonal relations, participants were provided with an exercise on fundamental interpersonal relations orientation-behaviour (FIRO-B). When people come together, their interpersonal relations orientation governs their behaviour with others. It is understood through three dimensions – inclusion, control, and affection. The instrument helps an individual become self-aware by assessing the difference between a wished and expressed behaviour.

If one is aware of their tendencies, one would try to change or not want to change if one thinks their role demands this behaviour. Sometimes, if we are aware of another individual's behaviour, we may mindfully behave in a certain way to avoid conflict.

### Session 6: Leadership and Sources of Power

Leadership and sources of power at their disposal were understood by conducting an instrument (General description of the organisation).

The sources of power are divided into six categories-

- **Reward Power** – People do things as per you because you can reward them. It includes appreciation, increments, etc.
- **Formal Power** – This source of power comes from virtue of holding a position of higher stature.
- **Referent Power** – This power can be exercised when the leader is trusted, respected, and admired as a reference figure.
- **Expert Power** – This power comes from the subject matter specialisation and one's experience.
- **Persuasion power** – This comes from the ability of the individual to influence others to get things done.
- **External Influence** – This power is derived from an individual's ability to influence people outside the organisation.

Power, not necessarily, is exploitative and can be used as an ethical means to achieve legitimate causes. Many in the social sector, feel reluctance in using their formal power. There shouldn't be any reservations about using it when time requires. A good leader uses a combination of powers based on situations to influence.

## Session 7: Leadership Behaviour: Receiving and Giving Feedback

The session began with participants conducting an exercise – Interpersonal Perception form in pairs. Participants were supposed to put 'yes' or 'no' against the statements as per their perceptions of themselves. Once done, they have to pass the sheet on to their partner and ask for their feedback on each statement. At last, participants match their responses against the feedback received and ask for an explanation of why the partner has responded a certain way.

There are several advantages of giving and receiving feedback. We would understand them better through the Johari window.



According to Johari Window, every individual has four sections of their self.

**Open Self** - This part is visible both to self and others. This includes the information, knowledge, skills, and attitudes that we are aware of ourselves and have shared with others. A large open self means that an individual is aware of their abilities, feelings and behaviours and people around them understand them.

**Blind Self** – This section is visible to others but invisible to us and hence constructive feedback can help to shift this area towards the open self. These are usually the peculiarities and characteristics that others see in us and possibly translate differently from us. This could be a positive quality like being a good listener but also a negative one like having anger issues. In both cases, its ideal is to minimize this area. A small Blind Area indicates that you're aware of how your behaviour affects other people, whereas a large Blind Area suggests that you may be naive or even in denial about it. Receiving feedback can reduce the size of the blind self.

**Hidden Self** – This part is visible to us but invisible to others. These could include your insecurities, mistakes, desires, weaknesses, etc. These can also include some positive traits like good singing which you might be hiding because of humility or shyness. An oversized hidden self might make you come across as an introvert or distant.

**Unknown Self** – This is part of our self that neither we nor others can see. These are things about us that we are not aware of and give us a distorted view of the world around us. An individual with a large unknown self needs to work on self-improvement.

The idea is to have the biggest open self. The most important benefit of giving and receiving feedback is that it enlarges the open-self area, leading to the reduction of the unknown self too and hence discovering new things about the self in the process. The feedback has to be conditional that is you specify what you liked or disliked instead of just mentioning your liking towards the person.

### Sharing of self-reflective tools –

- I come from corporate, and my family has a background in the Army, this could be the reason, why my task orientation and expression of control are so high. I had a perception that I was good with people and treated them well. I might need to work on my people's skills.
- The exercises made me reflect on what needs to be changed in me and what is it that I can change.
- I realised that due to our past successes in sector, we imbibed certain rigidity and didn't care much about the external environment.
- When we started the organisation, our T was very high. We were all focussed on tasks and achieving results. Slowly, we started facing attrition, and we changed our ways and since then we tried to be pro-people and I can see the similar pattern based on the use of instruments.

### Session 8: Self-Care Leadership

Many of us are founding leaders and some took these leadership positions at a later stage of the organisation. However, what is common between all the leaders, irrespective of their background and area of work is that leaders are lonely. Leaders are presumed to be looking out for others and not 'self-centric'. It is derived from the notion that leaders need to be strong and if one is a good leader, they shouldn't need self-care. Being vulnerable is seen as a sign of weakness.

Participants were asked to recall what made them excited or stressed at 7:30 a.m. today. Multiple things like health, the well-being of everyone at home, sustaining organisation, work plans, proposal deadlines, audits, anxiety for fundraising, etc. were the top-mentioned ones. The leaders feel responsible for the well-being of the organisation and its functioning. This sense of responsibility is a burden to carry. The possibilities of success and failure make them anxious and they as the nature of the job start feeling distant. This distancing primarily arises from the authority and to maintain boundaries.

A few years back, Café Coffee Day's founder and former CEO, V.G. Siddhartha's suicide due to debt hit news. This is a classic case of being lonely at the top and not finding a way to release the stress. A bigger question looking at us is, "What do we do when we are stressed?" Do we have a support network outside immediate work to talk about it? A friend, or a mentor? One must invest in such relationships and nurture them. That advisor should be such that they provide a safe outlet for the leader to express, but they must also reliably provide honest, unvarnished feedback. Most studies reveal that leaders confide in their spouses for this role. Self-care isn't selfish. A lonely leader isn't good for organisational culture, decision-making, or motivation. So, to carry on the meaningful work leaders in the social sector are doing, they must prioritise self-care.

Self-care can be classified into four broad categories:

1. **Physical** – This implies the health of the body. Take time to exercise and be fit physically to be efficient and available to perform.
2. **Emotional** – Most leaders keep their emotions bottled up as it is seen as an obvious behaviour of a good leader. Many managers feel like they can't show their emotional struggles. Leadership can feel like they have to hold themselves to an impossibly high standard for the sake of their team—to be the one who's "always okay" for those who aren't. This is not healthy in the long run. Studies reveal that leaders who aren't emotionally healthy affect their productivity adversely as well as their people's productivity.
3. **Intellectual** – One of the major leadership functions is to look ahead in future and make decisions informed by that thinking. These responsibilities, deadlines, and resourcing



may overwhelm a leader. Gaining diverse knowledge, indulging in things you like to do and learning new things may help you remain intellectually sharp as a leader.

4. **Spiritual** – For most of us, connection to a deeper meaning is an important part of well-being. When we are spiritually healthy, we may connect better with not only a higher power but also with those around us. This calls for frequent revisiting of our passion and commitment. It could be religious also but includes much more than that. It could be nature, meditation, or a certain activity like painting.

It is important to take time and indulge yourself in self-care to be better and effective leaders.

## Session 9: Governance in Non-Profit Organisations

Participants were asked, “What comes to your mind when we say ‘Governance?’”

- Group of people
- Monitoring
- Objective/mission/results
- Rules, regulations, policies
- Formulation and implementation of values and norms
- Structure and processes

Afterwards, they were asked to mention something good and something worrisome in context to their organisation’s Governing Board.

- Lack of demographic representation especially- young people on the Board
- Sleeping boards
- Overlap in Board members and staff.
- Managing expectations of the board members
- Payment to board members?
- Skill-based board members.

There are three possible legal structures for a non-profit organisation – Society, Trust, and Section 8 Company. However, there are almost equal number of voluntary organisations which aren’t legally registered. The number of members on the Governing Board of Society differs by state while it is uniform across the country in the case of Trust and Section 8 Company.

In a registered non-profit organisation, the Board is responsible for the actions of the organisation. Having a board hence is a legal requirement. In case, the annual income of NPO is higher than 50,000 INR, it is required to register with Income Tax Department under section 12A. If the board members are paid, excluding travel and food to attend board meetings, it has to be reported. If the CEO is a Board member too, this also needs to be reported. If payment to relatives and family members who are serving on the Board is made, it also needs to be reported.

The major drawback of having a sleeping board is the accountability of the CEO in the organisation. In the case of the uninterested Board or having Board members whom the CEO has relative power over them, the Governing Board loses its purpose. In the case of a society, one needs to define a term for members on the Board, which is not the same for Trust and Section 8 Company. The best way to change the Trustees is to persuade them to resign. There are several benefits of a resourceful active Board in the organisation-

1. **Accountability of the CEO** – The role of the chairperson is to hold the CEO accountable and help the organisation with succession planning.
2. **Statutory compliance** – Certain key skills on the Board are very helpful to an organisation like financial management and legal support. For example, the treasurer should be able to supervise the auditor.



3. **Mission Driven** – The Board has a very important role to play in ensuring that the mission is being followed and all the programmes and activities are aligned with it.
4. **External Shield** – A good Governance Board acts both as a support and protection door when it comes to the outside world. They help build connections and at the same time offer protection from external threats.

\*In case of high annual budgets and/or multi-location operations, it is suggested to have an internal auditor.

\*The Board members can be paid but not for the role they play as the board members but if they provide services to the programme like a board member also playing the role of program coordinator in a project. This needs to be reported in Form 10A.

## Session 10: Feedback and Evaluation

- **Navodaya Foundation, Assam** – Going back, I would implement two of my learning – ensure the active participation of Governing Board members and the Internal Auditor. Need more help from PRIA in the structuring of the organisation.
- **Nari-O-Sishu Kalyan Kendra, WB** – I had self-discovery through these sessions. Thoroughly enjoyed the session on self-care. The facilitation process was non-judgemental and reflective. I have previously attended many sessions on Governance and have had contradictory advice from many people, but I trust that the information I am going to get from PRIA will be authentic. I never knew that Board members could be paid if they play the role in the project management team.

It would be of help if PRIA could supply soft copies of these instruments for us to be able to apply them with our staff as well as with other smaller CSOs in our region. I feel a crisis of leadership in Non-profits in the regional space. I believe that this is not because of any lack of willingness of the people but rather a vacuum of knowledge in that space.

We want to improve our field-level implementation through community-based research as we keep repeating the things, we have been doing all these years and nothing new emerges.

- **VESS, UP** – Hand-holding visit by PRIA could help us revisit our programmes and organisation, we also look forward to receiving help in enhancing our research programme as we receive youth every year for volunteering purposes. If PRIA does have a training manual on youth and volunteering, we would like to have it applied in our organisation.
- **Aparajita Samajik Samiti, UP** – Copies of instruments in regional languages would be helpful for us. The biggest thing I realised from this workshop was my reluctance to use formal power. I have experience of 30 years working in the sector, I should be acknowledging that experience. Since, I don't use my formal power, my experience and knowledge are not respected by my staff as well.

When people come to me asking for leaves or give me a reason for delays in deliverables, I tend to allow it almost every time. And then I had to push everyone towards delivering the task when deadline approaches. This makes me very task oriented. I felt that while doing instrument for leadership styles. I am going to conduct inter-personal feedback instrument in my organisation.

We are a small grassroot organisation, we lack skills to document and communicate in effective manner. It makes is difficult for us to measure and communicate our impact. Need help from PRIA in this context.

- **RITHAM Charitable Trust, Tamil Nadu** – I had a very good self-evaluation applying the tools and instruments. I realised that this is the time to initiate changes in the Governing Board. I also would start training second-line leadership. We request PRIA to conduct regular follow-ups as this keeps us motivated to bring those changes needed.
- **Farm Connect Development Society, Meghalaya** – I feel fortunate to be able to attend such training programmes with senior and experienced leaders of CSOs to learn the dos and don'ts

in the sector. We started with a cause and weren't much aware of compliance. Now I know the role of the Governing Board and am looking forward to implementing it. I would also prioritise my self-care. I have attended multiple training on leadership but most of them are very content heavy and we end up burned out and yet no reflection occurs. This workshop was not heavy and was very reflective of my own context and style. I need more help with the documentation and communication of our work.

- **Mani, ECS, Kerala** – These instruments helped me analyse my leadership in a scientific manner. I came to know of gaps in the institution and learned how to resolve them. I loved that the participants were from across the country, and we could learn from each other's organisational examples and cultures.
- **Dr. Soman, ECS, Kerala** – In our MoA, we have mentioned that membership has to change periodically but I have been in the leadership position for the past 16 years. Our general body consists of 3000+ members but hardly 100 would be active and the same goes for our executive body where out of 35 only 15 would be actively participating. I realised that I should use more power. The organisation needs more restructuring. I also learned the role of the governing board. The facilitation was good.
- **Better Life Foundation, Nagaland** – I come from a corporate culture and just now have started my journey in the social sector. Previously, I thought that I was a people person, I went out with them and couldn't understand why they don't listen to me when it comes to work. Using instruments made me realise that when it came to the organisation's functioning, I exert control and am very task-oriented. I would focus on nurturing organisational culture and external relationships now. I reflected on delegation through the case study. I would also apply leadership styles based on employee's commitment and competencies. As previously mentioned, I come from an authoritarian background, I never realised that I had low concern for people. I would conduct interpersonal perception feedback in my organisation as I want team to have ownership and a sense of belongingness in organisation. I would also prioritise self-care for both me and my team.

**Debrief by PRIA Team** – We need to build local capacities to build capacity in regional spaces. The organisations or individuals equipped should have clear thinking and ideas. We should also look towards developing internal capacities to capture our own voices. An external person would bring in their own perspectives and may not be able to capture your perspective and voice entirely. We are launching OD facilitator programme in February 2024 which is an approach where we build on the experience of the organisation. We should also look at the possibility of the local youth learn research tools from PRIA and they support development organisations with their skill set. We would try to provide access to latest information from regulatory angle. We would also develop the instruments in regional languages. And try providing shorter/ online version of these trainings for senior management.

## Annexure 1: Workshop Agenda



**CAPACITIES FOR SOCIAL TRANSFORMATION AND  
EMPOWERMENT  
CAPSTONE  
Workshop  
Leadership and Governance in Non-Profit Organisations  
19 to 21 September 2023 | New Delhi**

### Workshop Objectives

- Developing clarity on the meaning and roles of leadership in non-profit organisations.
- Discovering self to improve leadership styles and qualities.
- Understanding governance in non-profit organisations and the functioning of the Governing Board.

### Workshop Agenda

Time	Session
<b>Tuesday, 19 September 2023</b>	
10:00 am to 10:45 am	<b>Opening Session:</b> Welcome, Introduction, Expectation Analysis and Objective Setting
10:45 am to 11:30 am	<b>Session 1:</b> Meaning and Role of Leadership in Non-profit Organisations <i>Learning Methods: Participatory Lecture, Group Exercise and Buzz Group Discussion</i>
11:30 am to 11:45 am	Tea/Coffee
11:45 am to 01:00 pm	Session Continued
01:00 pm to 2:00 pm	Lunch
02:00 pm to 03:30 pm	<b>Session 2:</b> Leadership in Non-profit Organisations – Authority, Delegation and Accountability <i>Learning Methods: Case Study Analysis and Participatory Lecture</i>
03:30 pm to 04:00 pm	Tea/Coffee Group Photograph
03:45 pm to 05:00 pm	<b>Session 3:</b> Developing A Conducive Organisational Culture <i>Learning Methods: Exercise and Participatory Lecture</i>
<b>Wednesday, 20 September 2023</b>	
09:30 am to 10:00 am	Recapitulation
10:00 am to 11:15 am	<b>Session 4:</b> Exploring Leadership Styles <i>Learning Methods: Exercise and Participatory Lecture</i>

11:15 am to 11:30 am	Tea/Coffee
11:30 am to 01:00 pm	<b>Session 5:</b> Leadership and Interpersonal Relationship <i>Learning Methods: Exercise and Participatory Lecture</i>
01:00 pm to 02:00 pm	Lunch
02:00 pm to 03:15 pm	<b>Session 6:</b> Leadership and Sources of Power <i>Learning Methods: Exercise and Participatory Lecture</i>
03:15 pm to 3:30 pm	Tea/Coffee
03:30 pm to 05:00 pm	<b>Session 7:</b> Leadership Behaviour: Receiving and Giving Feedback <i>Learning Methods: Exercise and Participatory Lecture</i>
<b>Thursday, 21 September 2023</b>	
09:30 am to 10:00 am	Recapitulation
10:00 am to 11:30 am	<b>Session 8:</b> Self-Care Leadership <i>Learning Methods: Exercise, Reflection and Participatory Lecture</i>
11:30 am to 11:45 am	Tea/Coffee
11:45 am to 01:00 pm	<b>Session 9:</b> Meaning of Governance and Governing Board in Non-profit Organisations – Roles, Composition, Competencies and Renewal <i>Learning Methods: Buzz Group Discussion and Participatory Lecture</i>
01:00 pm to 02:00 pm	Lunch
02:00 pm to 03:00 pm	<b>Closing Session:</b> Evaluation, Follow-up, and Closure