POTLATCH FUND

TRANSFORMING ORGANIZATIONS
Nonprofit Management Cohort
Winter Convening
Day 1: Mon, Dec 3, 2018

INTRODUCTIONS

- Name
- Pronouns
- Optional: greeting in your language
- Organization
- Position
- One thing you're looking forward to this week

POTLATCH FUND

Training Overview

- ❖ Day 1: Monday, Dec 3, 2018
  - ❖ Transforming Organizations
- ❖ Day 2: Tues, Dec 4, 2018
  - ❖ Journey to Successful Fundraising: Grantwriting
- ❖ Day 3: Weds, Dec 5, 2018
  - ❖ Combined Cohorts Training day: with Native Arts and Language Preservation
  - ❖ Native Organizers Alliance
  - ❖ Community Dinner

POTLATCH FUND

Today's Agenda

- Icebreakers!
- Context: Philosophy of facilitation
- Goals and Objectives
- Organizational Assessment & personal goals
- Reintroducing the Wheel of Change
- Lunch
- Applying the Wheel of Change
- Key Ingredients for Success
- Case Study with Skit
- Review and Closing Prayer

POTLATCH FUND

ICEBREAKERS!!!

Introduction

- 20 years experience with nonprofits both in the PNW and in the Philippines
- Founded Zenyu Healing
- MBA in Nonprofit Management and MA in Sustainable Int'l Development
- Lifelong student of transformation and healing, on all levels

"Healer and spiritual leader with an MBA"

POTLATCH FUND

Decolonization as spiritual and political path

POTLATCH FUND

Decolonizing Management Studies

- Nonprofit management origins
- Need for decolonizing in this framework: reclaiming and repositioning knowledge
- Essentially: we must challenge coloniality and ethnocentricism

POTLATCH FUND

Philosophy of facilitation

- We are all students and we are all teachers
- All parts of you are welcome (including your ancestors and all the beings who travel with you)
- Everything we need is in this room, is in our communities
- Many different paths of learning
- Buffet style
- Integration time

Goal and Objectives

Training Goal

The goals of this workshop is to

1. Assess current organizational capacity
2. Create goals for self and organization for the year
3. Re-introduce participants to Wheel of Change Framework
4. Explain how this framework can be used to create change in organizations
5. Apply the Wheel of Change: your organization, case study

POTLATCH FUND

Organizational Assessment

- At any point in time, an OA can be useful in identifying an organization's strengths and weaknesses.
- **Provide stakeholders with information about the organization's performance**
  e.g. to demonstrate organizational competence for funders
- **Generate information that will be useful in planning and decision-making**
  e.g. to evaluate partnerships with other organizations
- **Identify resources (human and other) that the organization can use to effectively improve its performance**
- **Identify needs that should be addressed through specific actions**
- **Respond to a need or desire to change an organization's performance**
  e.g. to diagnose areas of possible investments for change
- FOR US right now: can help set goals for the remaining time in the cohort to focus on

POTLATCH FUND

Things to note

- Every organization is in a different stage of development (webinar)
- No judgment on where you're at

POTLATCH FUND

---

15 minutes to fill out form !

POTLATCH FUND

Group discussion: Learnings

What areas is the organization very strong in? What are the weaker areas?

Which ones caused confusion? Do these areas match some of the challenges the organization has been experiencing? What lessons can you draw from your results that would help you in your current or future positions?

What are the most pressing issues that need to be addressed to immediately enhance the ability of your organization to carry out its work?

What would you like to work on with me?

POTLATCH FUND

Organizational Transformation

What is organizational transformation and why does it matter?

- **Def**: Change that is profound, radical, and sustainable; change that fundamentally alters the very nature of something.
- Use this methodology to achieve social justice, preserve cultures and languages, etc
- There is a direct link between individual transformation and social transformation
- Inspires breakthroughs in the way people think, feel and behave while working in an integrated way to shift structural conditions in which they work and live

POTLATCH FUND

"Transformation requires constant learning and growth. A learning organization is dedicated to continually enhancing its ability to create its desired future."

- Peter Senge, "The Fifth Discipline"

POTLATCH FUND

Creating change in organizations

- Organizational development is big business. One company alone, McKinsey & Company, has annual revenues of over $6 billion and 94 consulting offices across 52 countries.
- YET….70% of organizational change efforts fail

POTLATCH FUND

Why does organizational change fail?

- Organizations are complex, living systems
- Most change efforts focus on only one element of the system
- Fail to address organizations are integrated comprehensive systems, organisms
- Change requires a systems approach

POTLATCH FUND

An example: XYZ organization

- Lack of trust on staff; lots of interpersonal tensions about to explode
- Leadership organizes a retreat to resolve issues and rebuild trust
- Great retreat! Lots of breakthroughs and heartfelt commitments
- 3 months later: things are the same, no follow-through
- Problem: no attention to structural changes; no resources dedicated for follow-up; no clear ownership on items; no collective process to support new behaviors
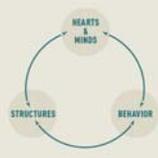
POTLATCH FUND

The Wheel of Change: framework and tool

- Simple yet powerful tool for change
- Divides human systems (individuals, teams, organizations, movements, society, etc) into 3 domains
- Developed by Robert Gass, famous organizational and leadership development expert

THE WHEEL OF CHANGE

HEARTS & MINDS

STRUCTURES   BEHAVIOR

POTLATCH FUND

Hearts & Minds
The full range of what people think and feel—motivations, beliefs, emotions, perceptions, etc.

Behavior
What human beings actually do—our words and deeds, the actual choices we make to speak or not speak, to act or not to act.

Structure
The external environmental realities which impact Hearts & Minds and Behavior—the micro systems and structures that make up our individual lives: the organizational systems, structures, and processes in which we work

THE WHEEL OF CHANGE

HEARTS & MINDS

STRUCTURES   BEHAVIOR
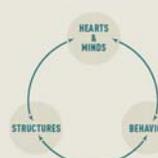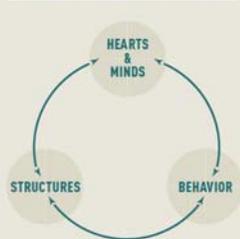
POTLATCH FUND

The Wheel of Change in Organizations

THE WHEEL OF CHANGE

HEARTS & MINDS

STRUCTURES   BEHAVIOR

POTLATCH FUND

The Wheel of Change in Organizations

1. Initiate transformational change by identifying and addressing the critical elements in each of the three domains of organizational life

2. Create a virtuous cycle in which changes in one domain provoke and reinforce change in the other two domains

POTLATCH FUND

More on Hearts & Minds

HEARTS & MINDS

- **Purpose/vision:** helping people connect with what motivates and gives meaning to our lives, giving shared focus and direction for our aspirations
- **Beliefs/ideas:** the conscious ways in which we think as well as the internalized, deeply held unconscious frames
- **Emotions:** our feelings that have a profound impact on the quality of our thinking, the choices we make, and our level of engagement and energy
- **Belonging:** the degree to which individuals feel connected to each other and positively identify with the collective community

POTLATCH FUND

Excellence comes from commitment, not compliance

Create breakthroughs in how people think and feel about themselves, each other and the org.
- join mind, heart, and spirit in common cause around a shared and compelling vision of the future
- tell their stories and share their highest hopes and dreams
- find the courage to speak their truths
- publicly name the organizational "elephants in the room" and face down organizational "demons"
- begin to deal constructively with some of the painful differences that separate us around inclusion, privilege and power, race
- and gender, etc.
- cultivate mutual respect and trust
- free their creative imagination from barriers of doubt, fear, and limitation
- claim their power and take personal responsibility for the organization and its success

POTLATCH FUND

Role of Trauma

- How does trauma (personal, intergenerational, historical, organizational, etc) impact Hearts & Minds? Our ability to imagine what is possible?

POTLATCH FUND

More on Behaviors

Norms: the organization's expectations of behavior from its members
Habits: Conscious or unconscious patterns of behavior that may or may not support organizational health and effectiveness
Communication: breaking through existing barriers to direct and honest communication and free flow of information throughout the organization
Skills: the ongoing development of new capacities needed to fulfill the organization's purpose and vision

POTLATCH FUND

Change takes time, persistence and patience!

- True transformation requires consistent changes in behavior over time
- Change can happen instantaneously in hearts and minds, BUT changing behavior takes time and practice

POTLATCH FUND

Transformation of Behavior

- new expectations are clearly articulated and formalized
- people understand exactly what's required of them
- implementing new behaviors becomes an organizational priority
- leadership begins to model the new behaviors
- standards of accountability are raised and enforced
- formal and informal processes are adopted to practice and develop new habits
- Support for developing the needed new skills through formal training, coaching, mentoring etc (technical, self-management and interpersonal skills)
- the inevitable mistakes that attend developing new habits and skills are not only tolerated, they are welcomed

POTLATCH FUND

More on Structures
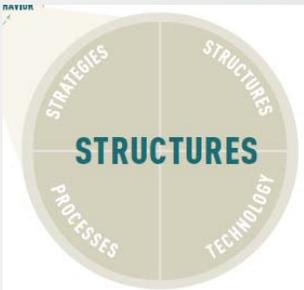

POTLATCH FUND

How Structure Can Impact Organizations

Many problems in Hearts & Minds or Behavior are actually the result of policies, practices, or the way work is organized. Examples include:

- Low staff morale and a pervasive feeling of not being appreciated may stem from poor personnel policies.
- Lack of accountability may stem from a poorly designed performance management system.
- Interpersonal conflicts that may seem to be very personal often have roots in dynamics inherent in the structure of their organizational relationship.
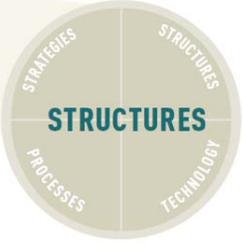
POTLATCH FUND

Strategies: the way work is planned and organized.
Structures: the way work is organized to implement the strategies—the organizational chart, job descriptions, etc.
Processes: the routine methods or ways things are done (planning processes, how meetings are organized and run, decision-making processes, etc.).
Technology: The tools used by organizations to organize and implement work (computers, software, etc).

STRUCTURES

POTLATCH FUND

Working on Structure

A transformative approach focuses on:
- acute attention to the human dynamics at play to ensure full engagement and ownership of the intended changes by all stakeholders
- clarity and transparency re: allocation of power and decision-making
- bringing greater attention and discipline to work processes such as planning, decisionmaking, how meetings are run, program evaluation, hiring, member engagement, and performance management
- an orientation of continuous quality improvement to organizational functioning

POTLATCH FUND

Applying the Wheel of Change framework:
Example of Transforming a Board

- New ED of organization inherited ineffective board
- Engagement of board members is erratic
- Frustrated staff ignores board
- Board fluctuates from being absent to inappropriate interference with staff functions
- Board chair is well-intentioned but has no time nor sense of how to intervene
- ED wants to fix problems but doesn't know where to start

POTLATCH FUND

Transforming a Board: Hearts & Minds

- reconnect board members to their deeper purpose for serving
- ensure alignment around the organizational mission
- learn together about the role and responsibilities of effective boards and their chairs
- have honest, authentic conversations within the board
- develop a shared picture of a high-performing board/staff partnership
- help the board clarify its role
- support a clear leadership role for the board chair and effective working relationship between the chair and ED
- surface and address any beliefs and expectations
- surface and resolve interpersonal and philosophical differences among individual board members

POTLATCH FUND

Transforming a Board: Behavior

- establish clear expectations and ground rules for board members' behavior
- ED and board chair set priority agendas for board meetings with clear POP
- create opportunities for meaningful and generative exchanges between board and staff at board meetings
- Board and staff evaluate each meeting to assess learning and progress
- ED and board chair establish a strong working partnership and ongoing authentic dialogue to support it
- training for board members in communication and teamwork skills
- cultivate directness and accountability among board and between board and staff
- facilitate board members' self-assessment of how well they fulfill their board responsibilities
- set clear expectations regarding board members' donations to the organization
- exit any board members who are not willing or able to operate effectively in the emerging new paradigm

POTLATCH FUND

Transforming a Board: Structure

- assess the board's understanding and alignment with goals and strategies
- develop a written "job description" for board members
- create written individual agreements with each board member that confirm commitments such as attendance, committee participation, and sharing of expertise
- establish term limits for board members to allow for a good balance of continuity and fresh perspectives
- establish explicit criteria to shape board composition and guide the nominations and election process
- assess and revamp board committee structure to reflect the real needs and capacity of the organization, board, and staff
- review and update bylaws
- clarify respective decision-making authority of board and management
- develop clear roles, processes, and deadlines for long term and annual strategizing, planning, and budgeting

POTLATCH FUND

QUESTIONS?

LUNCH!

Key Ingredients
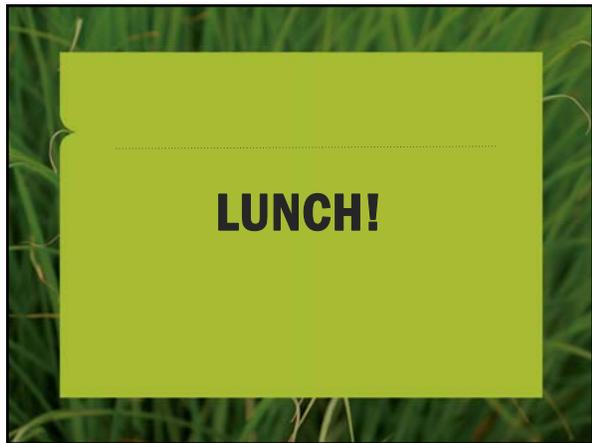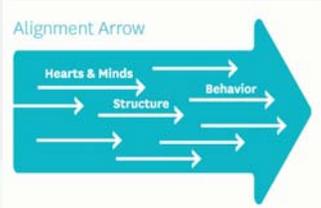
Alignment

- State of agreement or cooperation amongst persons
- Alignment is fundamental transformative principle
- Like rowing a canoe, ideally everyone should be rowing towards the same goal

Alignment Arrow

Hearts & Minds
Structure   Behavior

POTLATCH FUND

Example: advocacy organization

Aligned:
- a clear vision of success
- a good strategy
- the ED owns the vision and strategy
- staff are on board and enthusiastic
- funding is in place
- a critical ally has committed to join forces

Not aligned:
- Some key board members are skeptical of the new direction.
- Current structure isn't working
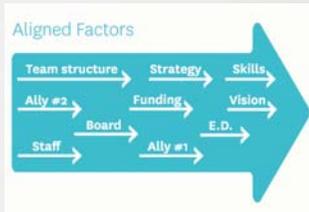- Critical ally doesn't want to collaborate
- Skills aren't there yet

Unaligned Factors

Board   Staff
Ally #1   Ally #2   Vision
Funding   Strategy   E.D.

POTLATCH FUND

Get all the arrows in the same direction

Aligned Factors

Team structure   Strategy   Skills
Ally #2   Funding   Vision
Board   E.D.
Staff   Ally #1

POTLATCH FUND

Leadership

- Critical ingredient in change processes
- Takes great courage to tell the truth
- Risks in raising expectations about change and investing precious resources
- Audacity is needed to question longstanding assumptions about the way things are done
- Begins with someone who has the foresight and conviction to take a stand
- Helpful to have power
- Transformation requires deep sense of ownership throughout the organization
- Leaders need to skillfully engage staff

POTLATCH FUND

If you don't have power…

1. **Enroll the decision-maker(s)**
2. **Demonstrate the value**
3. **Organize**

POTLATCH FUND

You may need help…

- Hiring consultants or working with me can assist greatly with organizational change
- Lack of bandwidth
- Lack of objectivity
- The leader also needs to change
- Issues in the domain of hearts and change
- Need for specific expertise
- Creating the best chance of success

POTLATCH FUND

Applying the Wheel of Change

Individual reflection

- Use the worksheet on the Wheel of Change
- Spend 20 minutes writing your thoughts and ideas on how to implement the changes you identified in your organizational assessment
- Who are the key people you need to engage in the change?

POTLATCH FUND

PAIR SHARE

Pair share with someone you don't know (10-15 minutes).

Tell them your situation at work, give them context

Who are the key people that you need to engage in the change?

Discuss your plan

Ask them for feedback and if they have any ideas that could strengthen your plan

POTLATCH FUND

GROUP SHARE

What did everyone learn doing the exercise themselves?

POTLATCH FUND

Case Study

Case study – small group share

Organization is underperforming due to lack of accountability
Plans are made but no mechanisms for feedback or evaluation
Deadlines routinely missed
No consequences for underperformance
REMEDY: management sets up new performance management system, with formal supervision and new tools and methods of evaluation
Staff is resistance
Trainings bomb
New systems fail to achieve results
SMALL GROUPS: Where did organization fail using Wheel of Change framework?
What would you have done?

POTLATCH FUND

SKIT

- In groups of 3, take 20 minutes to develop a brief 5-10 minute skit based on one of the issues at your organization (choose one)
- Create a scene that demonstrates the dynamics of the issue and that seeks to resolve it
- For example: dysfunctional board meetings; addressing an underperforming staff member

POTLATCH FUND

REVIEW AND QUESTIONS

Contact Potlatch Fund

www.potlatchfund.org or email info@potlatchfund.org
Call Seattle: 206-624-6076 or Amadeo : 206-883-3500

Portland Office

Amadeo Guiao, Program Manager, amadeo@potlatchfund.org

Seattle Office

Tara Dowd, Executive Director, tara@potlatchfund.org
Lawrence Leake, Managing Director, lawrence@potlatchfund.org
Tachini Pete, Program Director, tachini@potlatchfund.org
Mary Kummer, Office Manager, mary@potlatchfund.org
Damara Jacobs-Morris, Development & Communications Manager, damara@potlatchfund.org