

# Beware Your Leadership Blind Spots

By Kirk Kramer and Gail Perreault

**A**LL ORGANIZATIONS HAVE RELATIVE strengths and weaknesses; nonprofits are no exception. And when a nonprofit's environment becomes strained, it makes sense to enhance organizational strengths and address glaring weaknesses. The problem is, it's difficult to address something you cannot see.

## What's in Your Blind Spot?

We all have them, of course. We think we are masters of dry wit even when others think we are unbearably tiresome. We think that our casseroles are world class, while others politely choke them down. But this inability to, in the words of the poet Robert Burns, "see ourselves as others see us," can jam up the works in organizational life.

Even under the best of circumstances, giving feedback on an organization's effectiveness to those in higher positions can be difficult. Yet nonprofit leaders need to make sure they're getting this feedback; without it, executives can overestimate their organizations' capacity and neglect areas that need improvement. Data from the Bridgespan Group supports this and indicates that leaders' blind spots about their organizations emerge in some areas more than in others.

Bridgespan identified some of these blind spots during the course of administering an organizational diagnostic survey to clients over the past four years. Bridgespan's survey was adapted from a Bain & Company client survey in which management teams rate their organizations in five categories essential for organizational effectiveness: leadership, decision making and structure, people, work processes, and systems and culture. The survey sample was made up of organizations' executive directors and emerging leaders (e.g., a program head or division head).

Bridgespan also compared the survey responses of executive directors with those of their management teams in a group of 91 nonprofit organizations participating in the Bank of America Charitable Foundation's Neighborhood Excellence Leadership Program (NELP). Part of the company's Neighborhood Excellence Initiative, which awards outstanding nonprofits selected by community stakeholders with flexible funding and leadership development, NELP is full of strong performers; the average score on organizational effectiveness is higher than the average in Bridgespan's database of 60 nonprofits. (In conducting the survey, we also observed that nonprofits and for-profits tend to rate their

overall level of organizational effectiveness quite similarly.)

The results? Generally speaking, executive directors had a more favorable view of their organization's capacities than did their up-and-coming counterparts.

There were areas of surprising alignment, including the following:

- the degree to which an organization's vision is compelling;
- clarity about the organization's impact; and
- the extent to which an organization's culture inspires staff and contributes to strong performance.

But on other questions, executive directors' scores were considerably higher than their emerging leaders', signaling potential blind spots in a few areas:

- the extent to which an organization clearly communicates its priorities;
- the degree to which decision roles and processes are well understood; and
- the degree to which an organization can implement change.

## Ways to Improve Your Leadership Eyesight

Fortunately, there are ways to improve "leadership eyesight."

First, invest in formal and informal feedback systems to keep a finger

squarely on the pulse of your organization. Surveyed NELP leaders do so in the Bank of America Charitable Foundation's program. Through a 360-degree review, they get systematic feedback and assess organizational effectiveness.

Second, test whether your leadership team and staff are clearly aligned on the right priorities. One way to check is to have each leader write down the organization's priorities for the next 12 to 18 months and compare lists. Chances are you'll have to do some work to ensure that everyone is on the same page. If everyone is in agreement, repeat the exercise one level down. Continue until all members of an organization are aligned on priorities.

Finally, examine other areas where "disconnects" commonly occur. Decision making is one such area. To clarify decision-making roles and processes, consider a tool such as RAPID.<sup>1</sup>

If you run a small organization, it may not be necessary to map out decision-making processes, but it helps to have a

common decision-making lexicon. Before raising an agenda item, for example, explain whether you want input from everyone. And once a decision has been made, confirm it with the group; there is nothing more discombobulating than a discussion after which some team members consider a matter decided and others believe it remains unresolved.

If you run a larger organization with multiple programs or sites, you may need more formality; if so, consider mapping out decision-making processes and roles for key organizational decisions. As organizational complexity increases, the need for clarity increases to prevent decisions from becoming more complicated than they need to be.

### Blind Spots Equal Opportunity

Understanding blind spots and making adjustments accordingly represents a powerful opportunity for leaders to make their organizations more effective. Executive directors need to seek feedback

about their organizations. Our data suggests that it is easy to fall out of touch in several areas and, therefore, all the more important to seek input on these areas from others.

#### ENDNOTE

1. John Huggett and Caitrin Moran, "Who Decides? Mapping Power and Decision Making in Nonprofits," the *Nonprofit Quarterly*, vo. 15, no. 3, fall 2008.

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