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Leading and Managing Effectively in an Environment of Competing Values

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We live in a time in which organizational life is increasingly characterized by shifting priorities, changing patterns in the allocation of resources, and competing demands. Nonprofit managers often have to lead and manage in an environment of heightened demands for their organization's services, higher expectations for accountability, and increased competition for funding, all while they and the organizations they lead are being buffeted by change. Indeed, it seems that the only constant in management today is change. "Rapid changes in our society call for the need to cope and deal with grand challenges" (Araque & Weiss, 2019, p. 5). The kinds of challenges confronting nonprofit leaders and managers may stem from a variety of things, some under their control, but many outside their control. Nonprofits may face any number of crises, and their leaders will be called on to respond. These crises may stem from hurricanes, tornadoes, wildfires, terrorist attacks, protest marches, pandemics, legislative actions, rising unemployment rates, and other events. These events, or myriad other conditions, can seriously affect nonprofit organizations and require them to engage in crisis management, institute budget cutbacks, or, in some cases, manage growth as a result of new funding opportunities.

Characteristics of Effective Leaders

Some suggest that leaders are born, not made, implying that one either does or does not have leadership abilities. I do not agree with that notion. I

believe, as do many others, that leadership can be learned. As Sinek (2011) pointed out, although some

“natural-born leaders” may have come into the world with a predisposition to inspire, the ability is not reserved for them exclusively. We can all learn this pattern. With a little discipline, any leader or organization can inspire others, both inside and outside their organization, to help advance their ideas and their vision. We can all learn to lead. (p. 1)

However, a key element in learning to lead “is about taking people to places they wouldn’t otherwise have gone, and along the way, to help each person achieve the success they deserve” (Baron, 2018, p. 9). As Baron (2018) pointed out,

You can only achieve authentic leadership when you secure absolute trust. The only way you gain confidence from your team is if you are real . . . people must know that you’ve got their backs, and they must know you’re willing to have daring discussions when needed. . . . If your employees know you’re going to help them move mountains by removing obstacles out of their way so they can do their jobs, they’ll work incredibly hard for you. . . . If they don’t trust you because they think you’re doing it for your own benefit, and not everyone’s, you’ll never secure the trust you need to lead effectively. (pp. 18–19)

Management versus Leadership

There is often some confusion about the concepts of leadership and management. Some wonder whether a person can be an effective manager without also being a competent leader. It is my belief that effective managers are individuals who also exhibit leadership qualities. One can certainly exhibit leadership without being in a management position. However, I believe that one cannot be a successful nonprofit manager without being a good leader.

Bennis (1999) suggested that managers are people who do things right, whereas leaders are people who do the right thing. Bennis suggested that successful leaders demonstrate the following characteristics:

- technical competence: business literacy and a grasp of one’s field
- conceptual skill: a facility for abstract or strategic thinking
- track record: a history of achieving results
- people skills: an ability to communicate, motivate, and delegate

- taste: an ability to identify and cultivate talent
- judgment: the ability to make difficult decisions in a short time frame with imperfect data
- character: the qualities that define who one is

The importance of character as a quality of leadership cannot be overstated (Araque & Weiss, 2019; Brown, 2018). Nonprofit managers have a responsibility to lead by example. They must be highly ethical individuals who follow their profession's code of ethics and ensure that their employees follow suit. "Research at Harvard University indicates that 85 percent of a leader's performance depends on personal character. Likewise, the work of Daniel Goleman makes clear that leadership success or failure is usually due to 'qualities of the heart'" (Bennis, 1999, p. 20).

Leadership is the process of influencing people to meet organizational goals and objectives. Chapman (2020) suggested that leadership is first about behavior and second about skills. He indicated that good leaders are followed chiefly because people trust and respect them, rather than because of the skills they possess. To Chapman, leadership differs from management in the sense that the latter "is mostly about processes," while "leadership instead primarily depends on **the ways** in which the leader uses management methods and processes" (pp. 1–2). Management places more reliance on planning, organizational, and communications skills. Chapman acknowledged that while leadership also relies on management skills, it relies more on qualities such as integrity, honesty, humility, courage, commitment, sincerity, passion, confidence, positivity, wisdom, determination, compassion, and sensitivity (p. 2).

Fundamental Leadership Principles

Jack Welch, a business leader and writer, proposed several fundamental leadership principles (as cited in Chapman, 2020):

- There is only one way—the straight way; it sets the tone of the organization.
- Be open to the best of what everyone, everywhere, has to offer; transfer learning across the organization.
- Get the right people in the right jobs; this is more important than developing a strategy.
- An informal atmosphere is a competitive advantage.

- Make sure that everybody counts and that everyone knows that they count.
- Legitimate self-confidence is a winner; the true test of self-confidence is the courage to be open.
- Business has to be fun; celebrations energize an organization.
- Never underestimate the other guy.
- Understand where real value is added and put your best people there.
- Know when to meddle and when to let go; this is pure instinct.

A leader's main priority is to get the job done, whatever the job is. To this end, leaders create effective, productive teams and encourage and enable them to be successful. To accomplish this, leaders need to

- Be clear about their objectives and have a plan for how to achieve them.
- Work at building a team committed to achieving these objectives.
- Invest in helping all team members give their best effort.

Leaders must know themselves; that is, they need to know their own strengths and weaknesses so they can build the best team around them. They need to be able to organize their staff around a purpose, be able to prioritize, and keep in mind the mission or primary purpose of their organizations. Moreover, leaders must hold people accountable, be accountable themselves, and, to be successful, surround themselves with great people.

Human Relations Skills

Because a key element of leadership is being able to influence others, human relations skills are critical to success as a leader. Covey (1990) identified what he called the "seven habits of highly effective people." In my view, managers who want to be effective leaders would do well to read Covey's (1990, 2004) books and should give serious consideration to learning and practicing the following habits identified by Covey, as summarized in Chapman (2020):

- Habit 1: Be proactive. Control your own environment; do not let it control you.
- Habit 2: Begin with the end in mind. Figure out where you want to be, clarifying your personal vision and mission.
- Habit 3: Put first things first. Organize and implement tasks and activities in such a way that your actions will actually lead to where you want to be.

- Habit 4: Think win–win. Remember that any achievements of organizations—and individuals—will largely depend on the cooperative efforts of many. Thus, leaders must adopt the attitude of finding solutions that enable all parties to win rather than have some folks in the organization come out winners while others come out losers.
- Habit 5: Seek first to understand and then to be understood. Be concerned about communication, but, in particular, become skilled at listening that enables leaders to diagnose before they prescribe.
- Habit 6: Synergize. Attempt to see the potential value in everyone’s contributions, remembering the principle that the whole is greater than the sum of its parts.
- Habit 7: Sharpen the saw. Develop the habit of self-renewal; to be a successful leader and manager, one must be constantly concerned about taking care of one’s spiritual, mental, physical, social, and emotional needs.

Leadership Mentality

In their research on leaders, which extended over more than 30 years, Kouzes and Posner (2017) identified five practices of exemplary leadership. These best practices, which bring together many of the leadership characteristics and practices identified by Bennis (1999), Chapman (2020), Covey (1990), and Welch and Byrne (2002), include the following:

- Model the way: You must believe in something, stand up for your beliefs, express your personal values, and set an example (pp. 13–14).
- Inspire a shared vision: You must envision the future, have a desire to make things happen, and want to create something better (pp. 14–16).
- Challenge the process: You must search for opportunities to innovate, grow, improve, and encourage people to experiment and take risks, and create a climate in which people learn from mistakes and failures as well as successes (pp. 16–17).
- Enable others to act: You must foster collaboration, build trust, and strengthen others by giving away some of your power through trusting others and giving them more discretion and authority (pp. 17–18).
- Encourage the heart: You must encourage your people to carry on, finding genuine ways to uplift their spirits, recognizing their contributions, and celebrating individual and team values and victories to create a spirit of community (pp. 19–20).

In addition to having leadership qualities, contemporary managers must be equipped with a broad range of knowledge, skills, and abilities to be able to perform in a competent, effective manner. Beginning with a comparison of the executive management role in for-profit, public-sector, and nonprofit organizational contexts, I next provide an overview of how managers can be effective in an ever-changing environment of competing demands and values. Then, in the remainder of the chapter, I provide an overview of the managerial skills needed at different levels of the organizational hierarchy, describe a multidimensional model of organizational and management performance, and consider the nature of managerial decision making.

Executive Management Role

In nonprofit (or not-for-profit) organizations, top-level managers, who are often called executive directors or chief executive officers (CEOs), must perform roles similar to and yet distinct from those performed by their counterparts in for-profit and public organizations (Austin, 1989). In the for-profit corporate sector, the simplest version of the role of CEO combines policy making and implementation. The CEO serves both as a member of the corporation's board of directors and as its senior administrator. The ultimate measure of the effectiveness of the executive's performance is the level of financial return to the shareholders. In the public administration model, the traditional role of the CEO has been to implement policy, not to formulate it. Elected legislative bodies make policy for public-sector managers to carry out. Several measures can demonstrate effectiveness, including the consistency of implementation with legislative intent, continuity of the government organization, and break-even financial management—in other words, operating within the limits of the available financial resources (Austin, 1989).

In the nonprofit sector, the top manager has traditionally been called the executive director, although many nonprofits now use titles that are more characteristic of the for-profit sector, such as CEO or president. Regardless of the title, the nonprofit manager's role is shaped, in part, by organizational characteristics that nonprofit organizations share with other types of formal organizations. Nonprofit managers, like their counterparts in the for-profit world, are becoming active participants in both the formulation and the implementation of policy. It is often the top-level manager, or CEO, who brings most policy issues and recommendations to the nonprofit organization's policy board, which may be called the board of trustees or board of directors.

Like their counterparts in the world of public administration, nonprofit managers are concerned with such issues as the extent to which implementation efforts are congruent with policy, the ongoing health of their organizations, and break-even fiscal performance. Also like their public administration counterparts, nonprofit managers have no direct personal economic stake in their organization's financial performance. Their salaries do not increase in proportion to the size of their organization's budgets, nor do they receive year-end bonuses that are based on financial performance. Moreover, like their for-profit and public organization counterparts, nonprofit managers need to be concerned about managing change and "keeping the organization responsive and vibrant" (Lewis, Packard, & Lewis, 2012, p. 16).

Despite these similarities, the role of the nonprofit manager differs from the role of the for-profit corporate executive and the traditional public administrator, and in many ways it is more complex. Perhaps the most significant difference is the criteria used to determine success. In the nonprofit sector, the most important measure for judging a manager's performance is the quality of the services provided by the organization (Patti, 1987).

Managerial and Leadership Skills in the Organizational Hierarchy and Life Cycle

Successful nonprofit managers must be prepared to be interactive, adaptive, and able to formulate contingency plans that take into account the operational characteristics of the particular organization and its environmental context. Managers must be proactive. However, the typical nonprofit manager is invariably confronted by a series of competing values or demands that are likely to pull them in many directions at once. This situation was captured in part by Perlmutter (1990), who pointed out that "not only is it necessary to keep the shop running smoothly and efficiently today to meet current needs, but it is also necessary to have a vision of and anticipate what is possible and necessary for tomorrow" (p. 5). Thus, successful nonprofit managers must be skilled at both tactical and strategic management and at "identifying and securing necessary resources" and have the "necessary leadership skills to inspire individuals and achieve the intended goals" (Araque & Weiss, 2019, p. 2). Moreover, the changing dynamics and complexity of issues confronting nonprofit organizations "also require new assessment lenses and newer intervention approaches" (Nandan, Bent-Goodley, & Mandayam, 2019, p. 6).

Managerial performance in any type of organization occurs in the context of organizational change (Araque & Weiss, 2019; Cooke, Reid, & Edwards, 1997; Edwards, Cooke, & Reid, 1996). Like human beings,

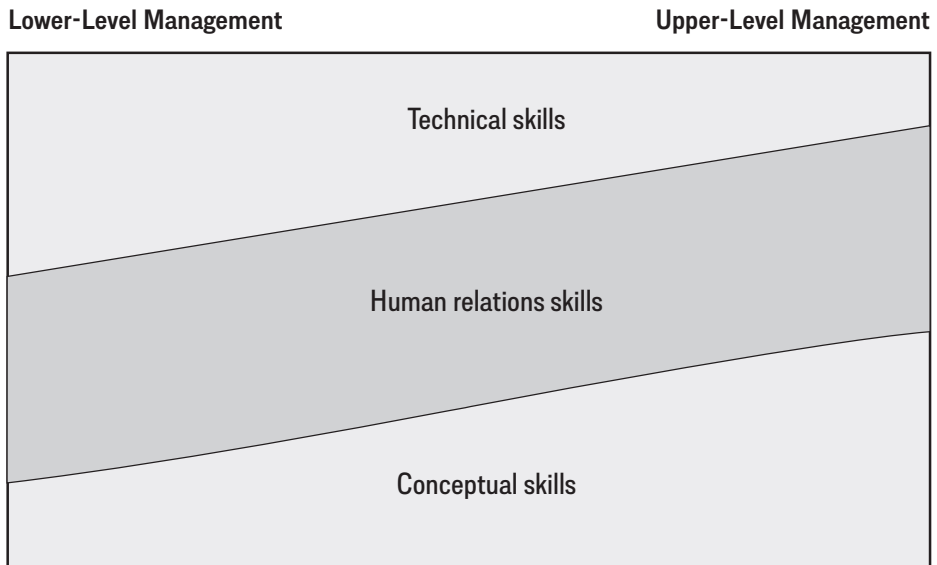
organizations are not static; rather, they go through a variety of phases and life cycles. Hence, different stages in the organizational life cycle may require a manager to use different types of skills (Quinn & Cameron, 1983; Quinn, Faerman, Thompson, McGrath, & Bright, 2016). Likewise, organizations that perform similar work but exist in a different type of environment may require a different mix of managerial skills. For example, arts organizations may target different client groups and compete for different resources than do human services or grassroots advocacy organizations; these differences affect which management styles and skills are needed. Individuals may also shape the specific elements of their managerial positions in different ways on the basis of their personalities, training, and experience, as well as their perceptions of the organization's needs at a given point in time. As traditional funding sources dry up, many nonprofits "are being forced or encouraged to adapt their governance and management to emphasize performance, innovation, and flexibility" (Nandan et al., 2019, p. 6).

Moreover, the management position's level within the organizational hierarchy often shapes the skills that are needed (see Figure 1.1). According to Katz (1974), management skills may be categorized broadly as (1) technical, (2) interpersonal and human relations, and (3) decision making and conceptual.

In entry-level managerial positions, technical skills tend to be very important. However, the relative importance of technical skills tends to diminish as managers move up the organizational structure. On one hand, at upper-management levels, the need for decision-making and conceptual skills increases in importance. Conceptual skills are essential for top-level managers, but the nature of their jobs does not require the use of technical skills to the same extent as do lower-level managerial positions. On the other hand, interpersonal and human relations skills are equally important for managers at all levels of the organizational hierarchy (Katz, 1974; Quinn et al., 2016; Whetten & Cameron, 1984).

In nonprofit organizations, individuals who are competent direct-service practitioners in human services or health organizations are sometimes promoted to supervisory or entry-level managerial positions. They may perform effectively in their new roles because their positions require good technical and interpersonal skills. As these individuals gradually move up the managerial hierarchy into positions that require greater conceptual skills, they may continue to be successful. However, they may also begin to display deficiencies and become unsuccessful and ineffective, thereby fulfilling the so-called "Peter Principle" of being promoted to a position that is beyond their level of competence (Peter & Hull, 1969). Thus, as individuals move up the organizational management hierarchy, they must attain the

Figure 1.1 Management Skills Required at Different Levels



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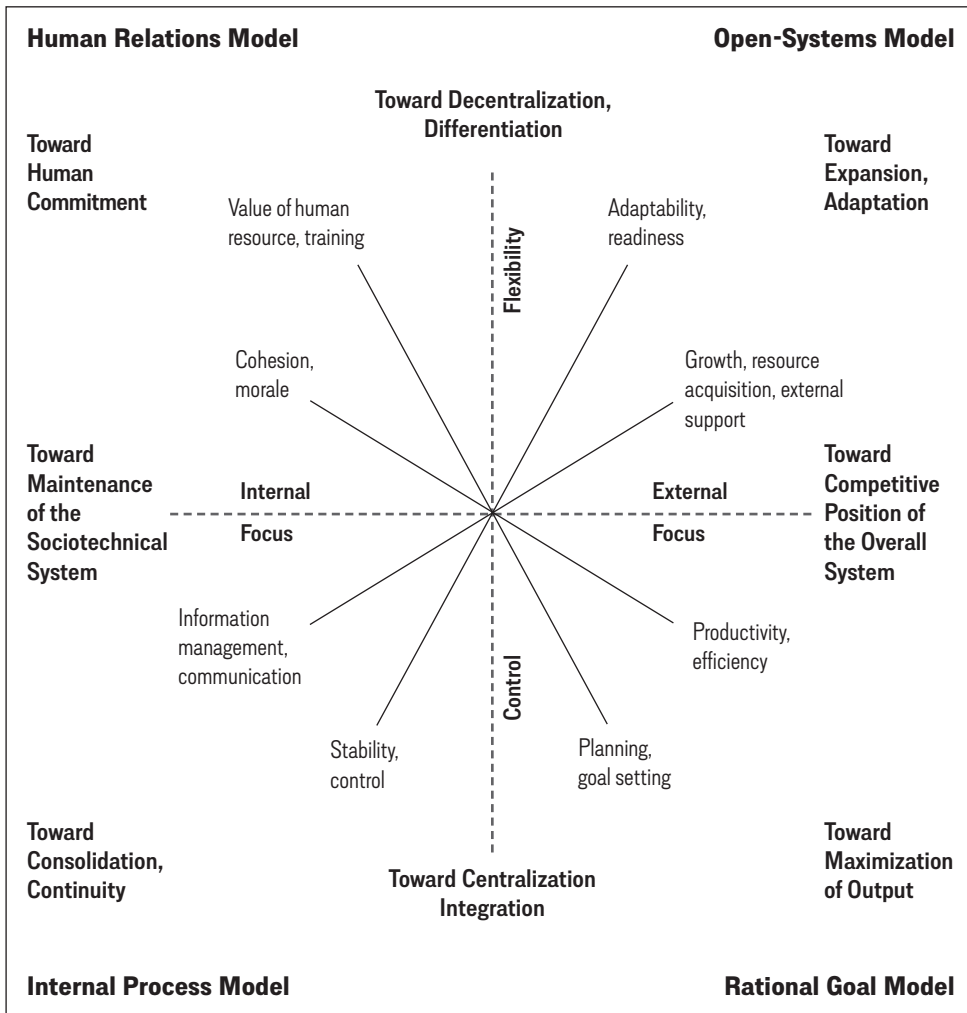
additional competencies necessary to be effective. Success at one level in an organization will not necessarily guarantee success at a higher level.

Competing Values Framework

Although there is no one best style of management performance, there is an inclusive, multidimensional model of organizational and management performance. The competing values approach (Quinn, 1984, 1988; Quinn et al., 2016) can help one understand the criteria that are used to judge the effectiveness of organizations and the various roles that managers perform (Edwards, Faerman, & McGrath, 1986).

The competing values model is an analytic framework built around two dimensions representing competing orientations, or values, in the organizational context: (1) flexibility versus control and (2) internal versus external (see Figure 1.2). The combination of these two dimensions distinguishes four sectors of organizational activity, each of which embodies distinctive criteria of organizational effectiveness (Edwards, 1987, 1990; Quinn & Rohrbaugh, 1981, 1983). In combination, the four sectors identified in the model deal with two major criteria of organizational outcome: (1) the quality of services provided and (2) the continuity of the organization (Austin, 1989).

Figure 1.2 Competing Values Framework: Effectiveness

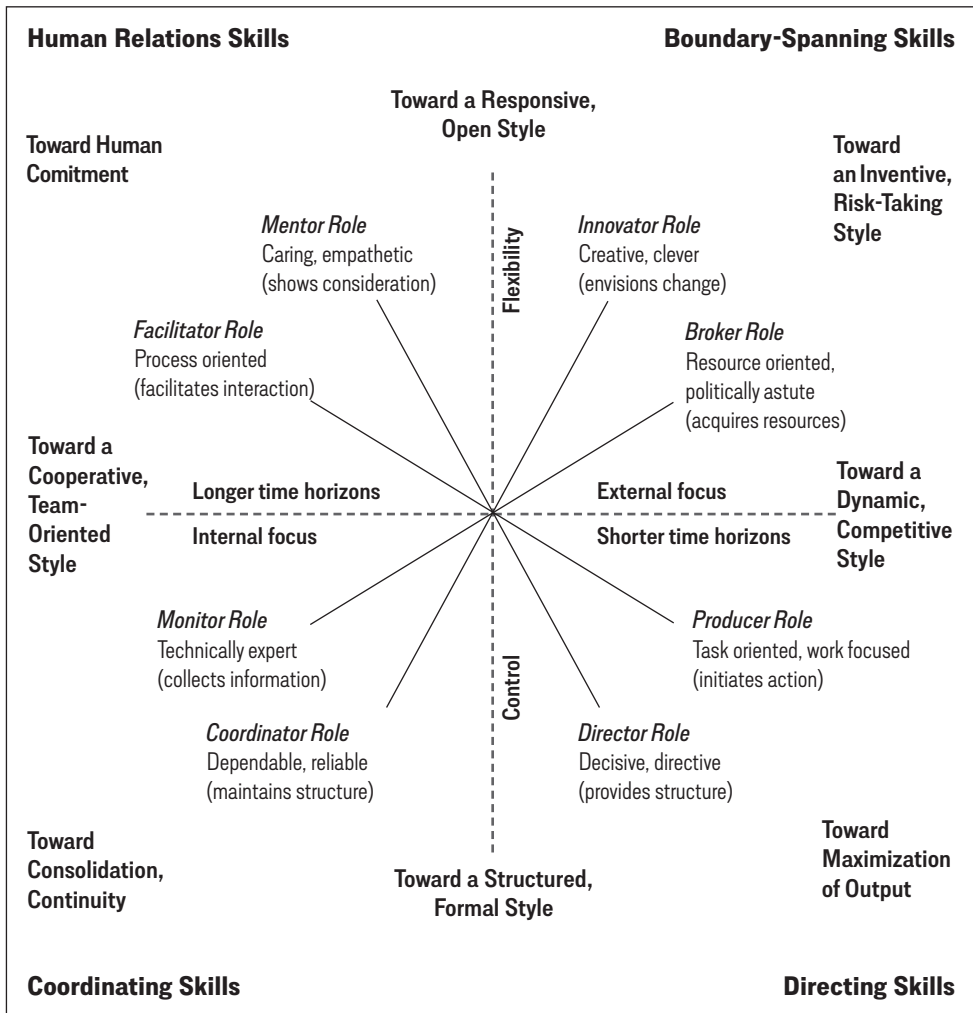


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For an organization to perform well with respect to the various criteria of effectiveness, managers must, to one degree or another and at various times, use these different and sometimes conflicting sets of skills:

- boundary-spanning skills
- human relations skills
- coordinating skills
- directing skills

Figure 1.3 Competing Values Framework: Leadership Roles



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Of course, no single managerial position involves an equal emphasis on all four of these sectors. In any given organization, the top-level manager may be involved primarily in activities that require the use of certain types of skills, whereas other people who are part of the executive component, or management team, may carry major responsibilities for activities in sectors that require other types of skills. Yet, the CEO or top-level manager bears the ultimate responsibility for the effectiveness of the organization’s performance in all four sectors. Some of the key concepts associated with each sector of organizational performance and the relevant managerial roles are summarized in Figure 1.3.

Boundary-Spanning Skills

Each quadrant depicted in Figure 1.3 relates to a different set of skills, and each set of skills includes the managerial traits, behaviors, and patterns of influence inherent within it. To perform roles depicted in the upper right quadrant, managers will be called on to use boundary-spanning skills. Because nonprofit organizations are highly dependent on their environment, a manager will constantly be involved in activities that cross the formal boundaries of the organization. These activities include obtaining financial resources, establishing and maintaining the organization's legitimacy, adapting organizational programs in response to environmental changes, managing external requirements for reporting and accountability, negotiating formal and informal interorganizational agreements, participating in action coalitions, lobbying, dealing with public relations and media issues, and positioning the organization to take advantage of new opportunities or withstand external threats.

In the competing values model, the boundary-spanning skills sector is defined by flexibility and external dimensions. That is, managers performing the roles in this sector will need to be adaptable and flexible because they will be participating in activities that involve dealing with individuals and organizations that are not under their direct control and that are external to the formal boundaries of the organization.

Quinn (1984, 1988) identified two managerial roles that are relevant to this sector: (1) the innovator and (2) the broker. To effectively perform the role of innovator, managers need to be creative and clever; they need to be what some have called "social architects" (Araque & Weiss, 2019; Bolman & Deal, 2008). These roles require having good conceptual skills and constantly being on the lookout for unusual opportunities. The behavior associated with the performance of the innovator role is directed toward envisioning and facilitating change. Hence, to perform this role well, the manager must be the type of individual who seeks new opportunities, encourages and considers new ideas, and is tolerant of ambiguity and risk.

To perform the role of broker effectively, managers must be resource oriented and politically astute. These roles require being aware of and sensitive to external conditions, especially those related to the organization's legitimacy, influence, and acquisition of resources. The behavior associated with the performance of the broker role is directed toward acquiring resources, so managers must be skilled in developing interpersonal contacts, monitoring the organization's environment, amassing power and influence, maintaining the organization's external image, and obtaining resources

(Quinn, 1984, 1988). Nonprofit managers must also be skilled in fundraising (DeWitt, 2011; Edwards, 2020; Heyman, 2016) and adept at navigating the political arena (Colby, 2018; Gummer & Edwards, 1995).

The boundary-spanning skills sector involves the political or open system dimension of organizational performance that is least subject to technical skills and computerization. A manager functioning in this sector will need political or negotiating skills and an understanding of the nature of power relationships in the task environment in which those management skills are practiced. Boundary-spanning skills may also require a manager to perform short-term contingency decision making, in contrast to the systematic and long-term participatory internal decision-making processes that may be important in the mobilization and motivation of human resources. This sector of activity is perhaps the least likely to be fully delegated to other members of the executive management team. However, it may also be the sector that policymakers, such as volunteers who serve on the organization's board, define as their particular area of activity and in which explicit limits may be placed on the scope of the manager's activities.

The effectiveness of the process of contingency decision making, or strategic adaptation, whether carried out by policymakers, the manager, or both, may be severely constrained by considerations involving other sectors in which policymakers and managers perform. For example, successful opportunity-seizing initiatives involving responses to short-term funding opportunities, such as responding to various requests for funding proposals, may be inconsistent with the organization's overall goals, may require substantial expenditures for the development of new technical production procedures, and may disrupt the cohesiveness and morale of the staff.

Human Relations Skills

The second major sector of executive responsibility, shown in the upper left quadrant of Figure 1.3, involves the use of human relations skills. In performing the roles in this sector, managers are responsible for ensuring that the organization has a competent workforce. Because many of the services provided by nonprofit organizations are produced and delivered through person-to-person interactions, these organizations are generally what are called "labor-intensive organizations." As a consequence, human relations activities constitute a particularly important component in the life of such organizations.

In the competing values model, the human relations skills sector is defined by the internal and flexibility dimensions. Managers deal with

individuals and groups who are internal to the organization and who, as autonomous individuals or groups with the skills required to produce services, represent decentralized centers of authority and influence that managers often cannot directly control. Quinn (1984, 1988) identified two specific managerial roles in this sector: (1) the mentor and (2) the group facilitator.

In the role of mentor, managers need to be caring and empathetic. Those who possess these traits tend to view organizational members as valued resources and are alert to members' individual problems and needs. They operate in a manner that is perceived as fair and objective. Managers must also be skilled listeners and try to facilitate the development of individuals (Quinn, 1984, 1988). Behavior is directed toward showing concern about and support for staff members.

To be effective group facilitators, managers need to be process oriented, diplomatic, and tactful. They must have excellent interpersonal skills and be good at facilitating interaction among individuals and groups in the workplace. Managers should also be adept at fostering cohesion, building consensus, and bringing about compromises. The ultimate aim is to foster a cooperative, team-oriented style that permeates the organization.

The human resources—the people who make up the organization—should have the knowledge, skills, and abilities to perform their jobs effectively. In performing the roles of mentor and group facilitator, the manager's goal is to secure, retain, and motivate a qualified, competent, and committed workforce. Achieving that goal, however, is not easy. Staff often include members of one or more professions and a variety of volunteers who are involved in both the delivery of services and policymaking. In addition to having broad skill sets, the workforce is often diverse, including people from various gender, age, racial, and ethnic groups. Managing and leading a diverse and inclusive workforce comes with its own set of challenges.

Moreover, service users may be a critical element in mobilizing and motivating staff. Because of the composition and the competing needs and interests of the human resources component of the organization, managers must be concerned with the organizational culture, including symbols and traditions, and the definition of organizational values, which together may be significantly related to staff motivation (Austin, 1989). Managers also need to be skilled at team building, at bringing people together “to accomplish common goals, usually by exercising concerted efforts, applying interdependent collaboration, and sharing decision-making opportunities” (Araque & Weiss, 2019, p. 90). Successfully leading an organization also requires that managers be good listeners and exhibit care for the people they lead (Brown, 2018).

Coordinating Skills

The lower left quadrant of Figure 1.3 identifies the coordinating skills sector, which is defined by the internal and control dimensions. Quinn (1984, 1988) identified the roles in this section as the monitor and the coordinator. The activities related to this sector are focused primarily on matters that are internal to the organization and that are involved in maintaining the organizational structure. The technical areas in this sector include budgeting and fiscal controls, scheduling procedures, information and communications systems, personnel administration systems, technical training programs, reporting systems, evaluation and quality control measures, and management of technical equipment and physical facilities (Austin, 1989).

To perform the role of monitor effectively, managers must be technically competent. This suggests that the manager needs to be well informed and knowledgeable about the work of the people in the organization and have a high degree of technical expertise. The manager's role is directed toward collecting and distributing information that is necessary for the smooth functioning of the organization as well as for the orderly flow of work. To perform well in the role of coordinator, the manager must be dependable and reliable. Those who have such traits are likely to be consistent, predictable people who seek continuity and equilibrium in their work units (Quinn, 1984, 1988). The focus should be on maintaining structure, organizational stability, and workflow and using managerial skills in scheduling, coordinating, problem solving, and ensuring that rules and standards are understood and met. This is also the sector of organizational life in which systematic and rational procedures often have their widest application (Austin, 1989).

Because nonprofit organizations are typically labor intensive, the systematic organization of personnel activities and monitoring of service production activities assume great importance and become major elements in the managerial or executive position. In a small organization, it may be possible for the manager to carry out many of these tasks directly. However, in larger organizations, these types of managerial tasks, especially personnel administration, financial management, and maintenance of computer systems, most likely involve technical staff specialists and sometimes entire staffing units.

Virtually all nonprofit organizations make extensive use of computers, information management systems, and, increasingly, social networking applications. It is in the coordinating skills sector that computers are particularly valuable because the activities involved often represent structured decision-making choices among known alternatives. For example, issues

such as the impact of different combinations of direct salary and fringe benefits on staff compensation; the effects of different combinations of staff work schedules; the patterns of service use by clients; procedures for handling organizational funds; and the tracking of clients or patrons have all been facilitated by the use of computers. These activities and others like them are areas in which consistent, centrally controlled decisions seem to be highly correlated with efficiency and effectiveness.

Directing Skills

The lower right quadrant of Figure 1.3 identifies directing skills. This sector is defined by the external and control dimensions. Thus, the focus in this sector tends to be on activities that are external to the organization and that are relatively structured and formalized. In the management roles in this sector, managers will be dealing with the interface between the products or output of the organization and its external environment. The technical activities involved include both tactical and strategic planning, goal setting, and activity monitoring. In this sector, Quinn (1984, 1988) identified the roles of the producer and the director, meaning that the manager must be someone who is productive and able accomplish multiple things in the workplace while at the same time being focused on providing direction and goal clarity to others in the workplace.

The point of managerial activity in this sector is the goal-oriented process, which is aimed at improving the organization's efficiency and effectiveness as well as enhancing its relative position within its environment. This sector involves activities in which the manager plays a pivotal role, such as the improvement of productivity and goal setting (Austin, 1989).

To effectively perform the role of director, managers must be decisive and comfortable in guiding the work of others. Those who have these traits tend to be conclusive individuals who can plan work appropriately and provide direction. Activities include setting goals and objectives, clarifying roles, monitoring progress, providing feedback, and establishing clear expectations (Quinn, 1984, 1988). In using directing skills, managers need to know how to stimulate individual and collective achievement. Thus, they must be comfortable with the use of authority and skilled at delegation, planning, and goal-setting technologies (Faerman, Quinn, & Thompson, 1987).

To perform the role of producer well, managers must be task oriented and work focused. Those who exhibit these traits tend to be action-oriented individuals who are highly generative. An effective manager must be the kind of individual who is willing to invest a large amount of energy and

who derives a great deal of satisfaction from productive work. Efforts will be directed at stimulating the performance of staff members.

Because nonprofit organizations are established to accomplish particular societal objectives, the process of defining goals is essential. To a great extent, nonprofit organizations are dependent on their external environments. Thus, nonprofit managers must be cognizant of environmental developments and trends, including those that affect the organization's users or clients, financial and personnel resources, technology, and, ultimately, legitimacy in political terms. Moreover, organizational continuity assumes relatively great importance for nonprofit organizations because the costs involved in setting up such an organization and the goodwill represented in its legitimation by the community cannot be turned into financial resources that can be used for other purposes (Austin, 1989).

When confronted by the often difficult choices that are inherent in the competing values environment of nonprofit management, managers can use the organization's mission as a kind of litmus test for decisions. That is, they can consider how a particular decision will help or hinder the organization in achieving its mission. Thus, managers should view the organization's mission as a kind of North Star that can guide them through the wilderness of competing values and demands.

To be effective, those who occupy managerial positions must possess and use many types of skills and must perform many roles. The demands of these roles may shift over time as the organization moves through different phases in its life cycle. In small organizations, the top-level manager role may encompass many skills and roles, whereas in larger organizations, the top-level manager may delegate certain roles to others on the management team.

Nature of Managerial Decision Making

Because organizational life is characterized by an environment of competing values, managerial decision-making requirements are complex. The choices that confront managers daily are rarely choices between something that is good and something that is bad. If this were the case, the job of manager would be relatively easy. Instead, management most often involves choosing between two or more things that are valued and have positive and negative attributes. This type of choice makes the job much more difficult. For example, a manager may be confronted with shrinking resources and thus not be able to hire additional staff or provide opportunities for staff development. At the same time, the manager may be confronted with a growing demand for services from clients. Because of limited resources, the size of the workforce

cannot be enlarged and the increased demand for services may cause the manager to take steps to increase the workload of the existing staff. Such an approach may result in greater efficiency; that is, more clients seen without an increase in staff. However, it may also have a negative impact on staff morale, which could lead to increased stress, burnout, and turnover. Thus, the organization may lose some of its experienced staff, which in turn can result in added expenses for recruiting, hiring, and orienting new staff. There is also likely to be some loss related to what is called the learning curve; that is, the time it takes new staff to become fully productive.

Understanding that managers are likely to experience pulls from many directions may help to identify the possible consequences of decisions and enable managers to take appropriate steps to minimize negative consequences. Viewing organizations from the competing values perspective can help managers assess particular areas of strength. Of course, no one individual is likely to be equally adept at performing all of the roles identified in Figure 1.3. However, managers who are secure about their own strengths, abilities, and areas in which they are relatively less strong are likely to surround themselves with subordinates whose strengths complement their own. In contrast, managers who are less secure tend to surround themselves with individuals whose strengths mirror their own (but who may not be as strong, so they are less threatening). This latter situation often results in the organization's needs being inadequately addressed.

A nonprofit manager must possess a range of knowledge, skills, and abilities and must perform many roles, more or less simultaneously. The particular balance of technical, interpersonal, human relations, and conceptual and decision-making skills required will vary depending on a manager's position within the managerial structure and the organization's needs at any given point in time. Each category of skills involves the performance of different managerial roles, which are related to different criteria of organizational effectiveness and which create an environment of competing values. In this environment, managerial choices most often represent a trade-off between two or more values, or "goods," rather than a choice between something that is good versus something that is bad. By understanding the job's multiple role demands and competing values, managers may be better able to guide the organization toward effective performance.

Given the challenges of competing values, the need to perform different roles, and the varied skills required, managing an organization can be difficult. However, the experience can also be extremely gratifying when one remembers that organizations are made up of individuals who, if treated with respect and dignity, can produce great things even when resources are limited.

Skills Assessment Exercise _____

The following instrument will enable managers to develop a profile of how they rate on each of the managerial roles identified in the competing values framework.

First, please complete the Competing Values Management Practices Survey, and then transfer your ratings to the Computational Worksheet for Self-Assessment. Place the score or rating you give each item on the survey next to the number of that item on the worksheet. Note that where “(R)” appears on the worksheet, you should reverse your score. In other words, if you rated the item 1, you should reverse your score and record it as 7; 2 thus is recorded as 6 and 3 as 5. If your rating was 4, then place 4 on the worksheet.

Next, total your scores for each category, and then divide the total by the number of items in that category. This sum will give you a score to enter on the Competing Values Skills Assessment Leadership Role Profile. When transferring your scores to the role profile, place a dot at the point on the spoke that reflects your score for that role, keeping in mind that the center of the figure is 0, and the hash mark farthest from the center is 7. When you have entered your scores on all eight spokes of the diagram, draw lines to connect them. The result will be a profile that will help you identify your areas of relative strength as well as those in which you may not be as strong. This information may be useful to you as you review other chapters in this book.

Competing Values Management Practices Survey

Listed below are some statements that describe managerial practices. Indicate how often you engage in the behaviors, using the scale below to respond to each statement. Please place a number from 1 to 7 in the space beside each question.

Almost Never 1 2 3 4 5 6 7 Almost Always

As a manager, how often do you

- _____ 1. Come up with inventive ideas.
- _____ 2. Exert upward influence in the organization.
- _____ 3. Ignore the need to achieve unit goals.
- _____ 4. Continually clarify the unit’s purpose.
- _____ 5. Search for innovations and potential improvements.
- _____ 6. Make the unit’s role very clear.
- _____ 7. Maintain tight logistical control.
- _____ 8. Keep track of what goes on inside the unit.
- _____ 9. Develop consensual resolution of openly expressed differences.

- ___ 10. Listen to the personal problems of subordinates.
- ___ 11. Maintain a highly coordinated, well-organized unit.
- ___ 12. Hold open discussions of conflicting opinions in groups.
- ___ 13. Push the unit to meet objectives.
- ___ 14. Surface key differences among group members, then work participatively to resolve them.
- ___ 15. Monitor compliance with the rules.
- ___ 16. Treat each individual in a sensitive, caring way.
- ___ 17. Experiment with new concepts and procedures.
- ___ 18. Show empathy and concern when dealing with subordinates.
- ___ 19. Seek to improve the work group's technical capacity.
- ___ 20. Get access to people at higher levels.
- ___ 21. Encourage participative decision making in the group.
- ___ 22. Compare records, reports, and so on to detect discrepancies.
- ___ 23. Solve scheduling problems in the unit.
- ___ 24. Get the unit to meet expected goals.
- ___ 25. Do problem solving in creative, clear ways.
- ___ 26. Anticipate workflow problems; avoid crises.
- ___ 27. Check for errors and mistakes.
- ___ 28. Persuasively sell new ideas to higher-ups.
- ___ 29. See that the unit delivers on stated goals.
- ___ 30. Facilitate consensus building in the unit.
- ___ 31. Clarify the unit's priorities and direction.
- ___ 32. Show concern for the needs of subordinates.
- ___ 33. Maintain a "results" orientation in the unit.
- ___ 34. Influence decisions made at higher levels.
- ___ 35. Regularly clarify the objectives of the unit.
- ___ 36. Bring a sense of order and coordination to the unit.

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Computational Worksheet for Self-Assessment

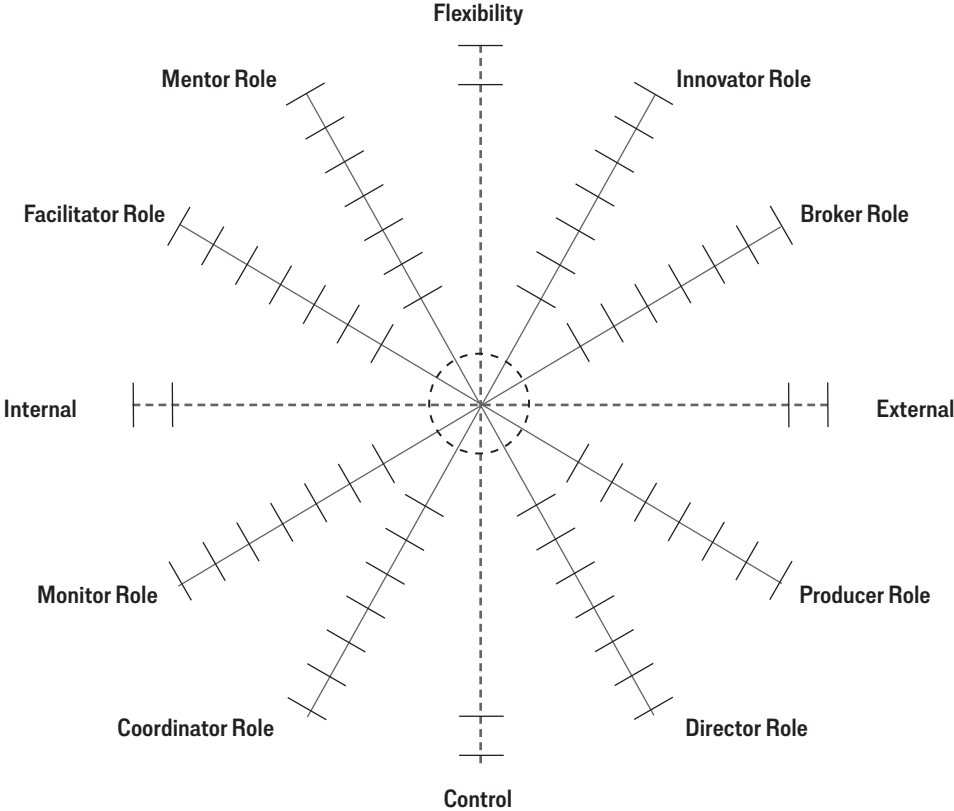
Facilitator	Mentor
9 ____	10 ____
12 ____	16 ____
14 ____	18 ____
21 ____	32 ____
30 ____	Total ____ ÷ 4 = ____
Total ____ ÷ 5 = ____	

Innovator	Broker
1 ____	2 ____
5 ____	20 ____
17 ____	28 ____
25 ____	34 ____
Total ____ ÷ 4 = ____	Total ____ ÷ 4 = ____

Producer	Director
3 ____ (R)	4 ____
13 ____	6 ____
19 ____	24 ____
29 ____	31 ____
33 ____	35 ____
Total ____ ÷ 5 = ____	Total ____ ÷ 5 = ____

Coordinator	Monitor
7 ____	8 ____
11 ____	15 ____
23 ____	22 ____
26 ____	27 ____
36 ____	
Total ____ ÷ 5 = ____	Total ____ ÷ 4 = ____

Competing Values Skills-Assessment Leadership Role Profile



Discussion Questions

The following questions may assist you in developing managerial skills:

1. What is your reaction to the personal skills profile revealed on the role profile diagram? Do the results meet your expectations? Were there any surprises?
2. On the basis of your profile, what areas of managerial skills appear to be the highest priority for further development? What strategies can you use to assist you in developing your skills?

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