

THE NEW LAY LEADERSHIP

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In the Federation, perhaps more than in any other communal agency, the development of consensus is of major importance. The use of processes that ensure the participation of the widest possible group of citizens is vital. Ours is a volunteer movement and cannot be operated in the same decision making mode as a business, whether that be the corner grocery store or General Motors. That may make Federations inefficient but that's what makes them effective.

We have conjured up a new lay leader—one who is well educated, comes from the corporate world, is demanding, capricious, controlling and confusing. This leader is alleged to be making new demands, often unreasonable, refusing to understand the purpose of the Federation.

The position of this paper is that there is much more that is new than the lay leadership. 1986 demands that we also examine the new professional leadership, the changed nature of the Federation—its size, complexity and task, and the new environment in which we operate.

It is true that there is a change in expectations and some confusion regarding the role of the executive. Most agree that the relationship between the executive and president is critical and that role differentiation is essential.

Napoleon described England as a nation of shopkeepers. North America is a nation of business people. Calvin Coolidge said that the business of America is business and no one in the establishment has seriously disputed that. The corporation is perceived as the ultimate expression of business organization. There is a myth that business knows how to solve problems and to do so efficiently.

We should run our Federations on a businesslike basis but they should not be

run like businesses. This is not an original idea and has been articulated most clearly and persuasively by the dean of American management consultants, Peter Drucker.

The Federation professional is in a situation which is different in kind and degree from that of our colleagues in the service agency. Our field is community organization. The professional's work is not cloaked in the same mystery as clinicians, health service providers, teachers, or for that matter lawyers or physicians. Most professions are given their sanctity by that cloak of mystery. Our job is to help volunteers do the best possible work in helping Federations achieve their goals. A critical difference between Federations and the direct service agencies is that service to Federation's client, the community, is ultimately delivered by lay people. We process our decision making through boards and committees, we attempt to develop consensus on major issues. There is a parallelism between the professional and the lay person in the Federation. In fact, some of the knowledge and skills we need for our work as executives, are better understood by lay people.

The parallelism is clearest in the area of personnel. Almost everyone knows that the Federation staff is hired and fired by the executive director. Staff is accountable to the executive. But when you get right down to it, for whom do they really work? Whom must they please? Who evaluates? Where the delineation is clear and the

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responsibility is carried out, there is usually little problem.

Those of us who have been in the field any length of time can remember the days in which communities of the "Group II" Federations had a professional staff of one, or perhaps two, and one or two secretaries. Our primary job was to raise money for some local agencies, national organizations and the UJA. There was relatively little competition, outside of congregational life, for the Jewish charitable dollar. We had some fairly simple tasks in allocating money. If we had time, we dabbled in a little bit of planning, in a little bit of community relations. Some who knew how to run their offset machines produced a newsletter. That was about the size of it.

According to the data published in the draft report of the Council of Jewish Federation Commission of Professional Personnel, today the median professional staff complement in Group II Federations is ten.¹ In many instances, our 1985 annual operating budgets are more than the amount of money we raised twenty years ago. Social planning has become a sophisticated, standard part of our operations. Almost all of us have full-time planning staff. Community relations has emerged as a major component of our work. Full-time public relations specialists are the norm. Almost all have full-time endowment fund directors. In almost every instance, we have controllers who are accountants and act as financial service directors. We are all computerized, some of us in the second generation. We, each, distribute, in this group, anywhere from \$3,000,000 to \$10,000,000 a year from our campaigns. If we count our endowment funds, our assets at any one time can be in the 20 to 30 million dollar range. We deal with thousands of donors.

1. *Report of Preliminary Findings of Commission on Professional Personnel*, New York: Council of Jewish Federations, October, 1985.

We need to have within our Federation staffs expertise in the delivery of social service, fund raising, financial management, the legal and tax aspects of charitable giving, personnel management, Jewish education, community relations and lord knows what else. The CJF Commission on Professional Personnel Report devotes six pages to what a Federation professional must know. How different from fifteen years ago.

Executive failure to be in control and knowledgeable in an area will be spotted by the astute, well educated lay leader. Failure to move in order to resolve weaknesses will and should invite intervention. Refusal to alleviate a weakness can often result in interference or worse. If the executive needs more or better professional staff, that needs to be made clear to the lay leadership, for in the end they must understand that they are responsible for providing the resources to make our enterprises work.

The commonly accepted principle in 1986 is that of accountability. The non-profit organization, just as government or business enterprise, is expected to divulge its financial situation—how much money it raised, how much money it spent and how it spent it.

Another point. For years, we have argued with our lay leaders in every one of our communities about the use of money. Fiscal responsibility means using money effectively for the purposes for which it was intended. It is not a euphemism for thrift or penury.

In 1973, when the CJF Review was conducted, the demand was made that Federation professionals, including executives, be committed to and have a knowledge of Judaism. A related principle is that they be responsible for ensuring that lay leaders understand the importance of Jewish values in making decisions.

We have been inundated with a new genre of management literature which

goes beyond management. It centers on leadership.²

What are a few of the things that we can learn from the excellent corporation that we can apply to our Federation world?

1. Define the mission of the enterprise. That should be the driving force. The mission of the Federation is, in my opinion, to assure the continuity of a healthy and vibrant Jewish community locally, nationally, overseas and in Israel. Everything we do should be related to that. Everything.

2. Like all good organizations, we must clearly define our broad objectives. What do we need in order to accomplish our mission? That leads us to think about—among many things—what we must do about human resources, about fiscal resources, who is our constituency, how best to communicate with that constituency, and how to make sure that we stay on track. We raise funds, but we are not in the money raising business. We are in the business of building communities. We are not banks. We do not lend money. We allocate it in order to make certain that services, designed to enhance Jewish life, are provided. We must be able to project what we need in terms of resources. We must learn how to keep track of them. We must do things to maintain the support of our contributors and our community.

3. A clear understanding of our mission is the clue to our "bottom line." The "bottom line" of business is allegedly

profit. (Although some would argue with that.) Our "bottom line" is a healthier, stronger, safer Jewish community. The struggle must be how to do it well, without wasting money, not how to do it cheaply.

4. One of the hallmarks of a good corporation and a good leader, is the willingness to take risks in order to reach objectives. Risk does not mean being foolish, it means being willing to fail. That is the only way to be creative. Unless there is creativity and innovation, we will keep plodding along, doing the same things fifty years from now as we do currently, whether or not they are relevant. That is something which the good corporate person understands and the good lay leader will support. Are we up to it?

5. The good leader, the good business organization, and I maintain the good Federation, are driven by a sense of vision which is communicated to the whole organization. It is the leader who articulates, by constant word and deed, that vision. We are the professional heads of an exciting venture. We, together with the good lay leader, can be the driving force for so much good, to excite a generation of Jews. Both the executive director and the president have a responsibility to keep that vision constantly in front of the board and the community, to make sure it is conveyed to all.

6. Leadership must be shared. This is how Tom Peters describes the difference between management and leadership: "Management is about arranging and telling; leadership is about growing and enhancing."³ Yes, we must be facilitators, we must be change agents, we must be communicators. But above all, to be successful, we, along with our lay leaders must be ready, willing and able to help our people grow—in short, to lead.

7. In the good corporation, leadership understands the importance of people for

2. Warren Bennis and Burt Nanus, *Leaders, The Strategies for Taking Charge*. New York: Harper & Row, 1985; David Bradford and Allan Cohen, *Managing for Excellence*. Wiley, New York, 1984; Rosabeth Moss Kanter, *The Change Masters*. New York: Simon & Schuster, 1983; Thomas J. Peters and Robert H. Waterman, Jr., *In Search of Excellence*. New York: Harper & Row, 1982; Tom Peters and Nancy Austin, *A Passion for Excellence*, New York: Random House, 1985.

3. *Ibid*, Tom Peters.

productivity. Very simply stated, that means that we executive directors must learn to be the kind of people who can energize and excite our staffs and our lay people. That is a responsibility which can and should be shared with a president. Behavioral scientists learned that it is a staff which is treated as human beings, who can think, who know how to contribute, who can be self-directed, that make for the growth organization. Systems theory teaches us that the organism which does not adapt and grow dies.

8. Another attribute of the good corporation, which I think is instructive for us, is that it is close to the customer. Hewlett Packard and Minnesota Mining are among the companies that listen very closely to their customers as they develop and improve their products. They service their customers. They spend time with their customers. They demonstrate that the corporation cares about its customers. That is something for us to remember and to encourage our lay leadership to do. The importance of paying attention to all segments of the community is too obvious to need repeating.

9. A good organization develops and maintains and nurtures an organizational culture which leads to excellence. Our challenge is to maintain the culture as lay leadership changes. Every president, worth his or her salt, has the need to leave an imprint on the Federation. That is productive, as long as the particular interest is in keeping with the mission and objectives of the Federation. This means that lay and professional leadership must be committed to the continuous education of board and executive committees.

If there are similarities between the corporate and Federation worlds, what are the differences?

1. The driving force in business is profits. The Federation system must be built on a commitment to Jewish values, *to the strengthening of the Jewish com-*

munity. The first question should be, "What does it mean to Jewish people?" That should precede, "How much does it cost?" The benefit we pursue is not measured in dollars but in Jewish continuity. True, the dollars must be there, but to achieve specific communal purposes.

2. There must be an understanding and commitment to achievement that results in more effective social services, education, health and community security. An economic measure, like cost-effectiveness, should be, wherever possible, one of the criteria that is used in making a judgment, but it can become a trap if it is the primary one. As in other service fields, professional judgment plays an important part in arriving at decisions and at determining methods. Our question is not, "Is it good business?" but rather is it good community organization, good social service, good education, good community relations, and so forth.

3. Unlike most business, with the possible exception of public utilities, our constituency is an entire community, not a market. Our objective is to strengthen a whole people, not just sell segments or capture a market. The success of the Federation enterprise depends on the effective operation of all its parts. There is an interdependence. We cannot automatically sell off the "less profitable" or most expensive parts. They may be our most important and most effective. The corollary is that we must always be vigilant that we do not hang on to ineffective programs.

4. The Federation is in the community building business. Most important is the difference between the Federation process and that of business. In the Federation, perhaps more than in any other communal agency, the development of consensus is of major importance. The use of processes that ensure the participation of the widest possible group of citizens is vital. Ours is a volunteer movement and

cannot be operated in the same decision making mode as a business, whether that be the corner grocery store or General Motors. That may make Federations inefficient but that's what makes them effective.

It is our responsibility to help lay leadership understand that the Federation has more impact on the future of the Jewish community than any other single organization. It is our job to remind leadership that our campaign is the only one within a community that allows people to contribute to the welfare of Jews and their organizations within the local community and throughout the world and Israel. It is our responsibility to help our lay leadership understand that the effectiveness of our planning, our community relations, and the positioning of our organization plays a larger part than any other element in shaping the Jewish community and its position within the larger society.

Again, Tom Peters, paraphrasing in a television program, his own writing on the differences between leadership and the usual concept of management: "The leader is a cheerleader, not a cop; an enthusiast, not a referee; a nurturer, not devil's advocate; a coach, not a naysayer; a

facilitator, not a pronouncer."⁴

We can say to the Federation executive: have a vision for the Jewish community and for your Federation. Be clear about your mission. Be bold about transmitting and communicating that to the board. Be prepared to risk. Be knowledgeable in the areas that are necessary to keep the enterprise going and make sure you have the people with the necessary skills. Help develop the leadership of the organization. Take responsibility for developing your staff and volunteers. Have a passion for what we do, even when you get tired.

Remember that there are good corporations and bad corporations; there are superb business people who know how to enhance and excite the people that work with them and there are others who make life miserable. The issue is not new leadership. The challenge is how to work well and to build a good Jewish world in a changing society.

Perhaps the best way to describe a good relationship between an executive and a president can be found in the way in which a U.S. Supreme Court Justice defined pornography, "I can't define it, but I sure know it when I see it."

4. *Ibid.*