

## Column from the Non-Profit Times, Sept 15<sup>th</sup> 2011

### Management ... Atul Tandon

#### *Multi-site Non-Profits - how to maximize the potential of a network*

“Herding cats” is defined by Wikipedia as “... an attempt to control or organize a class of entities which are uncontrollable or chaotic.”

Welcome to the challenge – and opportunity – of maximizing the strength and impact of networks for multi-site nonprofits. In America today, such networks are engaged in: responding to disasters; running food banks; providing housing for the poor; creating education, health and income opportunities; battling cancer; running houses of worship – the list goes on. Millions of Americans donate to them and, probably an equal number are beneficiaries of the services.

The design, development and effectiveness of these nonprofit networks are critical tasks for their executives. If you are not a participant, you are a partner in one or more of these networks. It takes diligence and determination to create and cultivate successful and effective networks. That diligence and determination consume considerable time, energy and attention.

With that understanding and appreciation, you can take networks that you partner with or participate in to achieve new heights of effectiveness and impact. Without that understanding and appreciation, you are risking your own professional failure and, potentially, diminishing those crucial networks and placing your organization in jeopardy.

First and foremost, it is imperative to understand a network’s DNA. Is this a “declarative” network, meaning that strategies are determined at a central location and disseminated out to offices/branches for implementation? Is it a “discerning” network, whereby disparate partners seek to understand a common calling and locally devise programs to meet that calling? Is it a “deliberative” environment, with network partners coming together to reason and dialog about the network’s priorities and practices?

Here’s more regarding each of the three DNA environments:

**Declarative DNA:** This represents a “top-down” network in which headquarters lays out the vision and mission, as well as the strategy to

accomplish goals. Imagine a Bank, a McDonald's, a Shell Refinery, Ford factory and each office or branch, whether in Detroit or Delhi, is dependent on headquarters for direction, and has some, though limited, flexibility to determine how best to implement that strategy. If you are in the Headquarters, you are developing breakthrough strategy, making investment decisions, choosing Branch/Field leaders and monitoring their performance are key. Leaders at headquarters decide whether to invest an office's performance or cut losses. The operating models are standard across the network, reins on field staff are held tightly; outliers are not tolerated, but innovation is encouraged, so long as it leads to improved results.

If you are in the Branch/Subsidiary, execution is the key. You are accountable for results – quarterly, annually, over the long term. You are the first line of offense and the last line of defense. The locus of all action. Manage, hire, fire, and innovate inside the box! You can smile at the customer all you want but cannot change the recipe of the Grande Decaf Mocha Frappuccino with Non Fat Whipped Cream latte.

**Discerning DNA:** The hallmark of this network is inter-dependence and a commitment toward a shared calling. Equally vital is an agreed upon understanding of that calling. Without such an understanding, there can be significantly different interpretations of the calling, as well as the vision and mission of the organization. There is no central headquarters from which decisions, let alone power, flow.

To be successful, participants learn to yield to each other. Value is placed on the ability to create compelling visions and ideas and get participants to buy-in to the vision and the strategy rather than on obtaining short-term progress. Collaboration and cooperation are keys to success.

Major decisions are made only after extensive discussion, deliberation and debate. Only then is trust established, a clarity of vision achieved, and the network of offices, people and services have the opportunity to flourish. As a participant, know to speak up and into the discernment/decision processes. Your voice counts, as does the power of your ideas. The more convincing, the more persuasive you are the more successful as a participant you become. If your local church or a denominational body come to mind right you are!

It takes a long time to go from independence to interdependence but once a shared consensus emerges implementation faces few hurdles. However, innovation in a discerning environment often becomes a casualty. Participant satisfaction tends to be high and is directly related to everybody having a seat at the table.

**Deliberative DNA:** The key element of this network's DNA is a federation of autonomous entities, each with its own leader and the power to both identify its clients and choose how best to meet their needs. They come together to promote a shared cause, a shared vision, shared outcome but pursue independent means to achieve those ends. Network-wide decisions place deliberation and debate ahead of discernment. The dynamics of large over small, fast over slow, special interests over shared interests all are at play. Majority agreements carry the day and the leaders with the largest block of votes win.

The independent entities interpret strategies uniquely and choose independent forms of implementation. Ineffectiveness by any partner is not tolerated, because it would damage the shared brand. Innovation flourishes across the network, and the best practices get adopted quickly. Accountability, in these locally owned and operated nonprofits, for short-term results and direct impact is high. The board member who voted to approve the annual budget is sitting next door to the staff.

The role of headquarters is to:

- \* Maintain and protect the brand;
- \* Build relationships with key external stakeholders;
- \* Weed out poor performers; and,
- \* Build-up the top ones.

Identifying pockets of innovation and enabling rapid adoption are hallmarks of success, as is the ability to build trust and garner a strong group of advocates of the leader's vision. Democracy rules and you win when you have the votes. As a leader, your success is dependent upon establishing trust with each separate entity, either through your own personal intervention, or through others on your behalf.

In essence, you provide the guardrails, so the organization's offices do not veer too far from the track. But you're not allowed to drive, and in some cases, you're not even invited to sit in the back seat.

You must recognize your network's DNA, develop trust, and foster collaboration between and among the other offices. Networks are composed of people. The more you listen, observe, discern and appreciate people's styles of conducting business, the more effective you will be in harnessing the power of those people in accomplishing your organization's objectives. As a result, you will build increasingly higher levels of confidence with people throughout the organization.

The idealism and independence that drives everyone toward a spirit of accomplishment are the foundation for creating and cultivating effective networks. And, of course, experience in herding cats is essential.

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*Atul Tandon is the founder and CEO of The Tandon Institute, a Seattle-based global advisory firm that works with social sector enterprises to accelerate their performance. He served in executive leadership roles at Citibank, World Vision and United Way Worldwide. His email is [atandon@tandonsinstitute.com](mailto:atandon@tandonsinstitute.com)*