

A Study of Founders of Community Based Nonprofit Organizations: Implications for Extension Leadership Educators

Elizabeth B. Bolton, Ph.D.
Professor of Community Development
Family, Youth and Community Sciences
University of Florida
Gainesville, FL 32611-0310
ebbolton@ifas.ufl.edu

Lynda M. Spence
Family, Youth and Community Sciences
University of Florida
Gainesville, FL 32611-0310
lilo143@ufl.edu

Abstract

This study was conducted to explore the motives and experiences of founders of community based nonprofit organizations. The information collected in this study will be useful to extension leadership educators as they work with the leaders in developing and sustaining these organizations that address needs unmet by government or other organizations. The results show these founders have strong motivation influenced by early experiences. They were confident and were able to handle both obstacles and opportunities. They clearly perceived themselves as leaders. The findings of this study will be used to develop a more comprehensive profile of community leaders that start community based nonprofit organizations. Extension leadership educators have an opportunity and a challenge to work with these emerging leaders.

Introduction

Community based nonprofits do not just happen. They emerge when someone sees a need or is confronted with an issue that demands attention. These organizations are founded by an individual or individuals with a drive, a passion, and a motivation that compels them to act. These are the visionary leaders who organize the first board of directors, support fund raising efforts for the

organization's mission, prepare the organizing documents to become a legal entity, and serve in all the roles from leader to volunteer. The economic and social importance of these organizations is well known. What is missing is a knowledge base about the individuals who found these organizations. What are their motives and their experiences during the developmental stages?

How might extension educators recognize these and thus facilitate the development of the leaders and the sustainability of the organization? This article presents a study of a select group of founders by examining their motives for launching the organization, the personal changes they experienced including the obstacles and opportunities and the advice they would give to others. The implications are discussed for extension leadership educators to recognize these social entrepreneurs and seek to develop their leadership skills in ways that will enhance the effectiveness of the community nonprofit and extension leadership education.

Founders of nonprofit organizations are frequently recognized as social entrepreneurs who strive to fulfill a social mission as compared to the for profit entrepreneur who works to make a profit. Hartigan and Billimoria (2005, p.2) define a social entrepreneur as a person who, "identifies practical solutions to social problems by combining innovation, resourcefulness and opportunity. Committed to producing social value, these entrepreneurs identify new processes, services and products, or unique ways of combining proven practice with innovation to address complex social problems."

Bardsden and Gardner (2004) provide an insight to the individual who is a social entrepreneur and the type of leader he/she might be. They tend to have a sense of responsibility for the mission and a personality that exudes confidence and energy. Their beliefs were formed early in life. For example, an intense event or trauma such as divorced parents or family violence provided a background from which the passion springs to make a difference. They tend to have a spiritual side and most were brought up in religious homes.

Are the motives of the founders' altruistic, economic, self-serving or other-serving? Are these motives connected to some earlier experiences, religious origins or specific events? Koestenbaum (2002) looks at motivation from the perspective of leadership. He describes some basic principles of motivation that illustrate the complexity of the concept. He says that people can only motivate themselves and that true motivation comes from pride, honor, self esteem and self worth. The legitimate sources of motivation are growth in the sense that it is a life force. Being noticed and listened to is a motivator when the attention is meaningful. Faith in one's subordinates is a powerful motivational tool.

Compensation is not a source of motivation and neither is security as it tends to limit one's outreach. (Koestenbaum, 2002, p.161-163).

Characteristics of successful leaders identified in the literature provide the context for studying the founders as community leaders. James MacGregor Burns writes extensively about leadership and leaders. There are different types of leadership but moral leadership is perhaps the most important. According to Burns (1978) this means that leaders and followers have a relationship of mutual needs, aspirations and values and that leaders take responsibility for their commitments. If they promise change, they take responsibility for make that change happen (p. 4). Kauffman's (2001) entrepreneurial characteristics describe people who are likely to be successful in their business endeavors. (a) Desire -- The entrepreneur fervently wants to be one (p. 25). This is similar to the passion the social entrepreneur brings to the mission of the nonprofit organization. Thus passion or desire is a necessary ingredient for starting a non profit or a for-profit. (b) Initiative ---Entrepreneurs must have the drive to take action (p. 26). Nothing happens unless someone makes it happen. Other characteristics include: Being responsible, able to solve problems, self confidence, self discipline and perseverance. The transformation leader concept described by Tichy and Devanna (1990) is one who sees a need for change, starts by creating a new vision and then seeks to institutionalize the change they have brought about.

The five practices of Kouzes and Posner (1987, p. 8-13) give an inclusive prescription for leadership that might be a guide for nonprofit founders. (1) Leadership always involves some kind of challenge and thus leaders "challenge the process" by questioning the status quo. (2) Leaders must be able to get others to see their vision if there is to be a critical mass of followers. This is called "Inspiring a shared vision." (3) "Enabling others to act" means involving others in the process. (4) "Modeling the way" is showing others how it might be done. (5) "Encouraging the heart" is part recognition, part public relations and part demonstration. These leadership practices might be summarized into "exemplary behavior," a characteristic of charismatic leaders (Conger, and Kanungo, 1988, p. 325).

Objective

The objective of the study was to develop a knowledge base about the founders of community based nonprofit organizations. If their motives and experiences are identified a profile can be developed to help these visionary leaders understand themselves and their personal aspirations. When visionary leaders are successful, the organizations they lead are more likely to succeed in their mission and sustain

their operation. The intent of this article is to explore founders' motives and examine the factors that affect their experiences. When community leaders can be identified in the early stages of their work and development, the opportunity for extension educators to work with them is enhanced.

Methodology

To achieve the objective, an open ended survey instrument was developed and administered to participants who were known to have launched a nonprofit organization within the last seven years in a north central Florida community. Three elements provided the basis for the development of a survey instrument: (a) Conversations with founders who had experienced both frustration and success in developing a community based organization, (b) Koestenbaum's (2002) concept of motivation and the attitudes that might be a precursor to behavior such as starting a nonprofit organization, and (c) and the descriptors of social entrepreneurs by Bardsden and Gardener (2004) and Hartigan and Billimoria (2005). The instrument was pilot tested with three founders who were not participants in the study to determine if the questions were clear, focused and valid for the purpose intended.

Participants for the survey were identified from organizations known to have local origins. Thirteen founders were identified and commitments were obtained from each to respond to an electronic mail survey of thirteen questions. Their changes to the documents (answers to the questions) were saved and their completed questionnaires were returned to the researcher via email. Seven of the thirteen completed and returned the email survey within the time frame of the study. After the data were collected, the emails were deleted and all copies were destroyed. No names or personal data was elicited from the respondents in order to avoid identification and to keep all responses anonymous.

The grounded theory approach of Glazer and Strauss (1967) was used because of the nature of the study and the methodology used to collect and analyze the data. In this approach, data is analyzed to yield a theme or central concept that will add to the knowledge base. The responses produced the following themes which are discussed in the context of the leadership literature with the goal of developing further research about the community leaders who found nonprofit organizations and how extension educators might be involved in enhancing their leadership capabilities.

Findings and Discussion

Motivation

Like the social entrepreneurs described by Hartigan and Billimoria (2005), the founders in this study had a strong motivation and a passion that compelled them to address it. The events that inspired these founders to start a nonprofit represented an unmet need or issue such as a long standing dream of establishing an orphanage, dealing with illiteracy in the South, working in a health clinic, and a view of the homeless population in the area. These issues ranged from educational needs of children and adults to health care needs in the community to helping the poor. The common theme that emerged from the events that inspired these founders was to see how justice and equity might be served and to proceed to make it happen. Linnell (2005, p. 56) writes that founders are “sparked with a fury and a zest about a cause, a mission, an idea, and who (unlike most of the population) have the energy and the wherewithal to do something about it.” (p. 56).

Background

The cultural background and experiences reflected the participants’ responses to the social issues that were driving forces. For example, being Jewish and being aware of religious prejudices had an effect on one participant. Being Roman Catholic and delivering food baskets to the poor on holidays was cited by another participant as a factor in wanting to help others. Childhood experiences shaped the views of the participants with feelings of responsibility for the welfare of others. These individuals represented different fields to use their entrepreneurial energies and talents and the choice many times stems from their background and early experiences. The theme that emerged here was to help others who might not have the benefits of education and privilege enjoyed by the respondents. Like the social entrepreneurs Bardsden and Gardner (2004) describe, the founders in this study had religious and cultural beliefs that came from childhood and family experiences.

Change in Roles

These founders were and are community leaders. In addition to being a founder, their initial role in the organization might have been chair, president, board member or executive officer. Some of the founders moved into different positions in the organization and one said only her perspective had changed. Another indicated that she moved to other organizations and had a more formal

relationship with the community through working with volunteers. The concept that captures this set of comments is that they saw themselves as servant leaders in the sense of Robert Greenleaf's servant-leader (Beazley, Beggs and Spears, 2003) who leads by serving and being an advisor to others in the role they once had. Most of the founders moved into different positions in the same organization and some ultimately left the organization. The organizational roles changed over time with most founders remaining affiliated and serving in some capacity the organization they founded.

Confidence to Start Again

The founders were confident they would start a community based organization again even knowing how difficult it would be and the frustrations they would face. The realization that it would be a great deal of hard work led one to say that it would be a partnership effort rather than an individual one. The perspective of what it would be like to start an organization and the realization of what it was like is a very clarifying event. The hardships and frustrations did not dim the motives they started with; rather it sharpened their focus and gave them new insights they could share with others launching a similar venture. The confidence they felt supports Bardsden and Gardner's (2004) description of social entrepreneurs who showed confidence and belief in their work and mission.

Obstacles

The founders typically encountered unanticipated difficulties and obstacles during the course of launching the community based nonprofit. Acquiring sufficient funding to continue operations was noted by six of the seven participants. Another major obstacle they encountered was that the community support was much less than they expected it to be. The lament was that they assumed that there were others who would be interested and willing to participate in the mission of the organization. When this happened, they saw it as a lack of community support from the media. Another participant noted that philosophical conflicts made it difficult to carry out the mission of the fledgling organization. Philosophical conflicts are not easily compromised and these can lead to major divisions within the organization. Organizations that provide services to individuals in need often encounter differences among providers regarding treatment services. Thus while the mission is served, the strategies and methods may cause conflict among the staff.

Opportunities

Founders indicated that many opportunities emerged during the early developmental stages of the organization. Funding, perceived as an obstacle, was viewed as an opportunity when subsequent access to state and federal funding became available. Other opportunities included support from other organizations that provided access to volunteers who contributed resources and creative ideas for services. The use of another organization's space and facilities was a major contribution to the success of one founder enabling her to sustain the new organization. To run an organization that could change the lives of orphans locally, nationally and internationally, was a major opportunity for one founder who saw the 501 (c)(3) as a developing business entity that would grow from one stage to another in terms of service to the mission and thus to the community. Just as obstacles were unanticipated, so were the opportunities.

Effects of the Experience

Founders were profoundly affected by the experience of starting a nonprofit organization. Most were very favorably affected although some noted that it was an enormous cost in terms of time and effort that took them away from their families. Growing in leadership skills was a natural occurrence when new challenges were encountered and met. These founders felt like they were true leaders that could tackle most anything after the confidence building experience of interacting with the community, working with the media, raising funds in varied contexts and different strategies. It was noted by several respondents that founding a nonprofit organization must have been very much like starting a small business with the same challenges, frustrations and feeling of accomplishment.

Self Descriptions

When asked to describe themselves, the founders in this study used terms similar to those in the literature that describe successful leaders. For example, the founders described themselves in terms similar the characteristics of entrepreneurs identified by Kauffman Center for Entrepreneurial Leadership. Entrepreneurs have a high energy level; they persevere and assume responsibility (Kauffman, 2001, p 25-33). The founders described themselves as honest, dependable, and dedicated. One founder said he was creative, enthusiastic and optimistic. They saw themselves as leaders who were spiritual and they seen by others as "good" as in Conger and Kanungo's (1988) exemplary behavior. Other terms they used to describe themselves were tireless, analytical, quiet, sensitive

and positive. These founders, like Tichy and Devana's (1990) transformational leaders, saw a need for change and sought to make it happen.

Lessons Learned

Founders indicated clearly that there were many things they would do differently given the experience of having launched a community based nonprofit organization. The consensus was that they would seek help from others whether as a hired staff member or to delegate more responsibility. The ability to learn from crises and manage them more efficiently and effectively was a lesson one founder said that would make her do things differently. Founders said they would learn early to provide recognition for volunteers. They also said they would learn more about fundraising. There was no consensus among respondents as to a single lesson learned but all respondents indicated they would do some things differently based on lessons they learned from their first experience.

When asked to identify the most important thing they learned from founding a nonprofit organization, the theme that emerged was how important it is to learn how to rely on others. The emphasis on key supporters and team work was cited as being important to developing into a visionary leader that is able to press forward. Founders gained some new insights about themselves. Some indicated that they learned to stay with their "gut" feeling and not be swayed by others to make a wrong decision. This was a lesson that did not come easy. Another indicated that she learned she was impatient with the process of consensus building; that, for her, it was better to be in control and make unilateral decisions. These and other personal insights provide a view of strongly committed individuals with a very human side. The experience of founding a nonprofit helped them to see themselves in terms of strengths as well as weaknesses.

Advice to Others

The founders had advice for those brave souls who would seek to do what they had done. Developing a team, a group of helpers and setting realistic goals with appropriate time scheduled to reach the goals emerged as a strong and consistent message. Founders should use assessment tools to measure the progress toward the goals. The dominant theme that emerged from this query was that the founder should strive at all times to be organized, efficient, patient and consistent. Consideration should be given to the legal aspects of organizing the nonprofit and appropriate professionals such as an attorney and an accountant should be included on the board of directors.

Implications for Extension Leadership Educators

From the themes that emerged in this study, it is clear that extension leadership educators can be helpful to the founder and instrumental in the development of the organization. For example, if the nonprofit's mission is a social service aimed at families, youth, or community issues, the family and consumer sciences county faculty have many sources of information and demographic data that can be useful in preparing grant applications and background documents. Reciprocally, these aspiring leaders may serve on extension advisory boards.

By the nature of their work, most extension faculty deal with one or more boards or councils that represent their commodity or subject group. It is these boards and councils that develop the leadership skills of community members. Extension educators possess the necessary skills and background to guide the novice founder through many of the steps and processes for developing and sustaining the new organization. For example the extension educator can assist the new board in obtaining 501(c) (3) tax exempt status. They can help in developing the strategic plan to include the mission, goals and vision that will guide the development of the new organization.

The process of board development is leadership education on an ongoing basis. When competent people serve on nonprofit boards, leaders are being trained. As the roles of the founders change, they can move into other roles in the same organization or in other organizations. Community leaders are valuable assets and once they are experienced board members, they can serve in other community leadership capacities. Extension's role is to help prepare these leaders to hold effective board meetings, to recruit new members, and to develop a volunteer system.

Participants in the study faced obstacles that are common to emerging nonprofits. For example they encountered obstacles with media support and fund raising. Extension faculty can help founders find sources of funds to sustain the organization. They can assist in developing public relations strategies for informing the public. Extension leadership educators can help nonprofit founders find partners with other nonprofits or community institutions. These partnerships can provide the new nonprofit leaders with support in both public relations and fund raising. These are a few of the areas where extension faculty can serve as leadership educators whether or not they perceive themselves in that role.

As the founders indicated, they felt confident in their abilities and accomplishments. Perhaps the most important role for Extension leadership

educators is to establish and maintain contact with these new nonprofit leaders so that their skills do not go unrecognized and unutilized in the community.

Conclusion

This study gives a view of individuals who took a risk because they cared about an issue, a cause, or a special group of people and decided to do something about it. They had successes and failures but most decided they would definitely do it again. They grew in leadership skills and the ability to work with others. From this study we learned that the motives and aspirations of founders are complex and varied and stem from many sources, but whatever the source, it compels the individual to take on a leadership role that strives to make a difference in the lives of others. The findings of this study will be used to develop a larger more comprehensive study of founders of community based nonprofit organizations. From these findings a more focused instrument will be developed to provide greater insight into these community leaders. Community leaders are shaped through motive and experience. Extension educators can be a catalyst in shaping these emerging leaders if we know more about their aspirations and experiences.

References

- Barendsen, L and H. Gardner (2004). Is the social entrepreneur and new type of leader? *Leader to Leader*, 34 (Fall 2004), 43-50.
- Beazley, H., Beggs, J. & Spears, L.C. (Eds). (2003) *The servant-leader within: A transformative path by Robert K. Greenleaf*. Mahwah, N.J.: Paulist Press.
- Burns, J.M. (1978). *Leadership*. New York: Harper & Row, Publishers.
- Conger, J.A. , Kanungo, R.A. & Associates. (1988). *Charismatic leadership: The elusive factor in organizational effectiveness*. San Francisco: Jossey-Bass Inc., Publishers .
- Glazer, B.G & Strauss, A.L. (1967). *The discovery of grounded theory. Strategies for qualitative research*. New York: Aldine.
- Hartigan, P. and Billimoria, J. (2005, March). Social entrepreneurship: An overview. Alliance. Retrieved June 6, 2006, from <http://www.allavide.org/alliance/mar05f.html>
- Koestenbaum, P. (2002) *Leadership: the inner side of greatness. A philosophy for leaders*. San Francisco: Jossey-Bass.
- Kouzes, J.M & Posner, B.Z. (1987). *The leadership challenge: When leaders are at their best*. San Francisco: Jossey-Bass, Inc. Publishers.
- Kaufmann Center for Entrepreneurial Leadership at the Ewing Marion Kauffman Foundation. (2001). *FastTrac: Planning and Growing a Business Venture*. Kauffman Center: Kansas City: Missouri.
- Linnell, D. (2005, Winter). Founders and other gods. *The nonprofit quarterly*. 12(4), 56-63.
- Lynch, R. (1993). *LEAD! How public and nonprofit managers can bring out the best in themselves and their organizations*. New York: John Wiley & Sons: New York. (p. 3-25).
- Philanthropy & Nonprofit Leadership Center, Rollins College. (2002). *Economic Contributions of Florida Nonprofit Organizations: A resource of the public good*. Winter Park, Florida: Rollins College.
-

Tichy, N.M. & Devanna, M.A. (1990). *The transformational leader*. New York: John Wiley & Sons.

Biography

Elizabeth B. Bolton is a professor of community development in the Department of Family, Youth and Community Sciences at the University of Florida. In that capacity she is an extension specialist working with county extension faculty in the areas of leadership education, nonprofit organizational development, volunteer management systems, JobStart (job readiness training) and workforce development. In each of these areas she has delivered in service education and developed curriculum materials. In addition to her extension work, she teaches both graduate and undergraduate courses and has developed the curriculum for the nonprofit undergraduate and the graduate minors.

Lynda Spence is a student in the Department of Family, Youth and Community Sciences (FYCS) at the University of Florida. She will be graduating with BA in December, 2006 and at that time she will enter the graduate program in the FYCS Department. Her area of specialization is community based organizations with an emphasis on the nonprofit sector.