Developing a New Leadership Framework for Not-For-Profit Health and Community Care Organisations in Australia

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EXECUTIVE SUMMARY

INTRODUCTION

The aim of the project was to develop a new leadership capability framework for not-for-profit Australian health and community care organisations.

Leadership is a topic that raises a great deal of interest as well as concern to organisations, communities and nations. An emerging area where the need for strong leadership is becoming critical is in the not-for-profit (NFP) sector. While a great deal of work has been done on developing leadership capability frameworks for the for-profit and public sectors, very little research has been done on such frameworks for the non-profit sector. This project will help to fill a knowledge gap in this area and will provide the theoretical underpinnings to provide an evidence base for leadership development in this sector.

The main research question for this project was: What is an appropriate leadership capability framework for non-profit organisations (NFPs) in the health and community care sectors in Australia?

RESEARCH METHODS

Methods used in this study were contained in an Action Research Framework. The original research methodology included three stages:

- scenario-based workshops,
- in-depth interviews and
- a survey.

However, as Action Research is responsive to the outcomes of each phase of the research, the methodology was changed after the scenario workshops to include a broader cross-section of in-depth interviews in place of the planned survey, with a final targeted focus group to round out the findings.
Two workshops were facilitated by an experienced consultant familiar with conducting future-planning processes. Prior to each workshop the facilitator used a modified two-stage email-based ‘Delphi process’ to obtain and prioritise relevant data about the sector and its environment. The results of each Delphi-process were then presented to Workshop participants.

Workshop 1 participants identified the main internal and external factors, and their impacts, most likely to influence the sector’s viability and direction over the next ten years and developed four possible future scenarios facing the sector in the next 5 to 10 years. Main factors/challenges identified (both internal and external), included the following categories of concern:

- Labour market issues
- Market expectations
- Ageing population
- Competition
- Funding
- Community expectations
- Government policy
- Service delivery models
- Increased care needs
- Quality and safety

The participants collectively developed 4 possible scenarios (using the prioritised results above). Possible future scenarios identified were:

- Business as usual (regarded as not a real option).
- Globalisation
- Whole of Sector Change; and
- Natural Disaster or Crisis

An underlying principle of Workshop 1 was that if NFPs prepare for a small number of reasonably difficult possible scenarios then in effect they are preparing to deal, generally, with the unexpected.
Workshop 2 participants assessed the possible impacts of the four future scenarios on NFP organisations and identified possible capabilities, competencies and personal attributes required of leaders for each future scenario.

In-depth Interviews: Eighteen interviews were completed with participants from the NFP sector, universities and government departments and agencies. The main themes emerging from the interviews related to:

- Funding
- Staffing issues
- Increasing complexity
- Changing client needs/demands
- Technology
- Mission and market forces

Further challenges identified by respondents included:

- Organisational change
- Training needs
- Governance
- The need for more lobbying and advocacy
- Marketing; and
- Succession planning.

An analysis of the interviews identified some nearly intractable problems with future implications, including:

- Increased demands of accreditation and compliance requirements
- More difficult to recruit volunteers which will worsen as volunteers age
- Decline of religious commitment amongst staff, volunteers, residents and the wider population which impacts on the viability of church-based NFPs
- Lack of government understanding of NFPs and, presumably, continuing thrust towards free market solutions for everything
Action Required to Meet Challenges

In the in-depth interviews respondents identified a wide range of actions required to meet the identified challenges of the next five to ten years, including:

- change management as a key capability in the context of a volatile, changing and complex sector
- responding to staffing challenges by marketing NFPs as ‘workplaces of choice’ and focussing on the positive values of NFPs
- sourcing alternative funding, from private companies and other sources
- considering growth and strategic alliances/strategic partnerships and/or organisational mergers.

A Capabilities Matrix was then compiled, followed by the development of a draft multi-dimensional, relational and dynamic framework, drawing on systems thinking and designed as an ‘open systems’ model.

The key propositions underpinning the new leadership framework—inspired by the literature, scenario workshops and in-depth interviews—are that it:

- must respond to a changing environment
- must respond to increasing client demand and changing client needs
- replaces existing frameworks that are outdated and inadequate
- can embrace the “Mission/Market tension”
- recognises and adapts to the potential for tension between voluntary Boards, with diverse skills and strong opinions, and NFP CEOs.
- multi-dimensional – and reflects the complex interaction between context, challenge and role
- is based on the much more diverse nature of the NFP sector
- allows users to begin at any point, i.e. it can start with (required or existing) role, context, challenges, capability and move in any direction.
- it can assist in responding to any tensions around where the organisation, the sector and/or its membership/congregation and/or governing bodies are
Based on these propositions, the new framework was designed within the context of how NFP organisations might deal with three core leadership issues – recruitment, succession and training.

**Future Research**

The framework developed in this Pilot project now requires more rigorous implementation and testing. It will form the core element of a multi-state, multi-University, multi-Industry partner collaboration which will seek Commonwealth government and Industry funding through an ARC Linkage Grant submission to undertake an extensive 3-year project to further develop, implement and test the concept, and to assess its usability in real-world conditions.
SECTION 1: INTRODUCTION

This project was undertaken by the Aged Services Learning and Research Centre (ASLaRC) and the School of Business of Southern Cross University in collaboration with Lutheran Community Care. The aim of the project was to develop a new leadership capability framework for not-for-profit Australian health and community care organisations.

Funding for the project was provided jointly by the Graduate Research College of Southern Cross University, under its Collaborative Research Grants Scheme, and Lutheran Community Care.

BACKGROUND

Leadership is a topic that raises a great deal of interest as well as concern to organisations, communities and nations. There is a great deal of literature on the subject, yet “…leadership is one of the most observed and least understood phenomenon on earth” (Dainty & Anderson, 1996:116 - quoting Burns, 1978), with no universal agreement on definitions, or what leadership involves. There is also confusion about which qualities are most necessary for leadership and whether such qualities are intrinsic or can be developed (ibid).

An emerging area where the need for strong leadership is becoming critical is in the not-for-profit (NFP) sector. Both internationally and in Australia, NFP organisations (henceforth NFPs) have grown tremendously in terms of assets and complexity and this has had a major effect on the roles and responsibilities of people who govern these organisations (Connelly, 2004). An ABS study in 2000 found that in 1999-2000 Australian NFPs contributed $20.8 billion or 3.3% of total GDP and employed 604,000 persons, representing 6.8% of total employed persons in Australia. NFPs also play an important social and political role and constitute an important component of the ‘social capital’ of Australia. They are prominent in the health and welfare sectors in Australia, primarily through religious, community and charitable organisations.
However, there are concerns about management and leadership of NFPs. Senior managers in NFPs are expected to achieve the dual (often opposing) goals of producing good financial results while meeting the organisation’s social aspirations and are frequently bound by government regulations while at the same time being exposed to market forces. Competing ideologies add their own complexity, with some authors arguing for strong, identifiable leaders and others claiming that what is needed is “communities where everyone shares the experience of serving as a leader, not serially, but concurrently and collectively” (Raelin, 2004:5)

While a great deal of work has been done on developing leadership capability frameworks for the for-profit and public sectors, very little research has been done on such frameworks for the non-profit sector. However, there may be useful lessons to be learned from the development of leadership competencies in both the for-profit sector and the public service (APSC 2001). This project is therefore significant because it is the first study of its kind in Australia to create a leadership capability framework for NFPs. As such it will help to fill a knowledge gap in this area and will provide the theoretical underpinnings to provide an evidence base for leadership development in this sector.

In the context of this report the term ‘leadership’ is defined as a capability that goes beyond the standard parameters of operational management and that includes a strategic capacity as well as difficult-to-defined attributes such as innovation and vision, as well as justified confidence in their ability to use those attributes in their organisational role. Capability is defined here as mastery over a range of tasks or functions acquired through experience (professional and personal) and training (formal and informal). In the report the term ‘capability’ is differentiated from ‘competency’ which is seen as an ability to undertake a range of tasks or functions. In this sense capability can be seen as a meta-competency that integrates the relevant competencies, experience and knowledge into a coherent set of behaviours.
RESEARCH QUESTIONS

The main research question for this project was:

What is an appropriate leadership capability framework for non-profit organisations (NFPs) in the health and community care sectors in Australia?

To answer the main research question, the following corollary questions needed to be addressed:

1. What are the challenges faced by senior managers of NFPs in Australia?
2. What are the competencies required by senior managers in NFPs in Australia to address these challenges?
3. What are the leadership capabilities expected of senior managers in NFPs in Australia to address these challenges?
4. What elements of the leadership capability frameworks developed for the for-profit organisations are applicable to NFPs in Australia?
5. What elements of the leadership capability frameworks developed for the public sector are applicable to NFPs in Australia?
6. Which elements of the leadership capability frameworks recommended for for-profit and public sector organizations are applicable NFPs involved in the Healthcare and Community Care Sectors in Australia.
LITERATURE REVIEW

LEADERSHIP

Theories of leadership have developed over many years, with four main theoretical trends emerging, i.e. trait theory; behavioural theories; contingency theories and transformational leadership theories (van Mauirk, 2001) (the latter is sometimes referred to as attribution theories).

Trait theory was based on studies of great leaders and postulated that leadership characteristics differed between leaders and non-leaders, although critics argued that someone does not become a leader just because he/she has a combination of traits (Stogdill, 1948). Trait theory was an early development which gradually lost prominence. However, it experienced a resurgence towards the end of the 20th century, with Kirkpatrick and Locke (1991) identifying six traits of leaders: drive; motivation to lead; honesty and integrity; self-confidence; cognitive ability; and knowledge of the business. Limitations of trait theory include that, while it may assist in the selection of people who could be successful as leaders, it does not clearly identify which traits are needed in specific situations nor how much of each trait is required to be a good leader. It also risks breeding an elitist conception of leadership, which may discourage people who feel that they do not have leadership traits from seeking leadership positions (Dubrin et al., 2006).

Behavioural theories attempted to identify behaviours of effective and ineffective leaders and were based on transactional aspects of leadership. However, Robbins et al, (2003) argue that these theories could not prove that specific patterns of leadership resulted in successful performance. The focus of behaviour theorists on situational influences led to the contingency theories of leadership.

Contingency theories postulated that performance of a group was dependent on a leader’s preferred style, the capability and behaviour of followers and the extent to which the situation was favourable to the leader. Contingency theories were based on Fiedler’s (1967) contingency model, Hersey and Blanchard’s (1974) situational leadership model, Vroom and Yetton’s (1973) leader-participation model and House’s (1972) path-goal theory.
Contingency theorists argued that there is no one best way of leadership as it depends on
the situation. A leader who is highly successful in one situation might fail miserably in another.

*Transformational leadership theories:* While the contingency models described transactional leaders, a new form of leadership emerged that has been labelled the Transformational Leader (Bass 1985). Transformational leaders inspire followers to put aside their self-interest for the sake of the organisation. They also have a profound impact on their followers (Robbins et al. 2003). Bass and Avolio (1992) state that transformational leadership helps reduce turnover, increase productivity and leads to higher staff satisfaction.

Closely related to transformational theories are the “attribute theories” (McElroy, 1982) and the notion of charismatic-visionary leaders. According to attribution theory, people attribute qualities such as intelligence, outgoing personality, strong verbal skills, aggressiveness, understanding and industriousness to leaders. An effective leader is considered to be good at initiating structure and being considerate. Robbins et al. (2003: 498) quoting Conger and Kanungo (1988), identify self-confidence, vision, ability to articulate the vision, strong convictions about their vision, behaviour that is out of the ordinary, appearance as a change agent and environmental sensitivity as the dimensions of charismatic leaders. However, there are fears that unethical charismatic leaders could lead their organisations towards illegal or immoral ends (Dubrin et al. 2006).

Despite their critics, the leadership theories above have each contributed to the current view of leadership in a variety of organisations. The capacity to transform or act as a change agent seems to be a key requirement for modern leaders to lead organisations in a turbulent environment.

**The Difference Between Managers and Leaders**

A current debate in management literature is whether the manager is also a leader or only an implementer of a leader’s ideas. While some writers claim that managers should also be leaders, others argue that there is a difference between managers and leaders. Zaleznik (1977) claimed that while managers embrace process, look for stability and control, and are natural problem solvers, leaders tolerate chaos and lack of structure and could delay closure until they understand the issues fully.
Kotter (2001) claimed that management is about coping with complexity to bring a degree of order and consistency while leadership is about dealing with change. He argued that while managers were involved with traditional roles of planning, budgeting, organizing, staffing, controlling and problem-solving, leaders were concerned with establishing direction, aligning people and motivating and inspiring people.

(Bennis and Nanus 1985: 21) suggest that “managers do things right, leaders do the right things” and proposed that leaders should adopt four strategies to do the right things: focus people’s attention on a common vision; create a sense of meaning about work through extensive communication; build genuine trust through tireless advocacy of a set of principles; and finally have a strong belief or awareness of themselves.

To summarise, in the majority of research and writing concerning leadership most investigators and theorists argue that management and leadership are different. Bowman et al (2005) argue that a leader “needs to be concerned with the big picture and the vision of an organisation. Managers, on the other hand, are concerned with day-to-day routine operations” (p8). Moreover, they state that although leaders may have high-level, or executive, management skills, they are primarily involved in:

- Creating and articulating a vision and strategy
- Welcoming change and resultant opportunity
- Embracing accountability and transparency internally and externally
- Excelling at public relations and communication
- Sharing information
- Recognising risk as opportunity

MANAGEMENT AND LEADERSHIP COMPETENCIES AND CAPABILITIES

The claimed differences between managers and leaders (Bowman et al 2005) might indicate that leaders are born and not made, supporting trait theory, but there is also a counter-argument that a manager can be developed to be a leader, with training to develop the appropriate competencies and capabilities (see Quinn 1996).

Quinn (1988:48) proposed eight managerial leadership roles and their key competencies in a framework called the ‘competing values framework’ based on four management models –
rational goal, internal process, human relations and open systems. This was further developed by Quinn et al (1996) who integrated the four models of management into one model, frequently used in both management and leadership development (Table 1).

Table 1 – Quinn’s Competing Values Framework

<table>
<thead>
<tr>
<th>Model of management</th>
<th>Role</th>
<th>Competencies</th>
</tr>
</thead>
</table>
| **Rational goal**   | **Director** | 1. Visioning, Planning, goal-setting  
|                     |       | 2. Designing and organising  
|                     |       | 3. Managing across functions  
| **Producer**        |       | 1. Working productively  
|                     |       | 2. Fostering a productive work environment  
|                     |       | 3. Managing time and stress  
| **Internal process**| **Monitor** | 1. Monitoring personal performance  
|                     |       | 2. Managing collective performance  
|                     |       | 3. Managing organizational performance  
| **Coordinator**     |       | 1. Managing projects  
|                     |       | 2. Designing work  
|                     |       | 3. Managing across functions  
| **Human relations** | **Mentor** | 1. Understanding self and others  
|                     |       | 2. Communicating effectively  
|                     |       | 3. Developing subordinates  
| **Facilitator**     |       | 1. Building teams  
|                     |       | 2. Using participative decision making  
|                     |       | 3. Managing conflict  
| **Open systems**    | **Innovator** | 1. Living with change  
|                     |       | 2. Thinking creatively  
|                     |       | 3. Creating change  
| **Broker**          |       | 1. Building and maintaining a power base  
|                     |       | 2. Negotiating agreement and commitment  
|                     |       | 3. Presenting ideas  

Source: Quinn et al. 1996.

Despite the attractiveness of competency frameworks, Conger and Ready (2004) argue that they have key drawbacks, including that competency models tend to be built around today’s high-performing leaders as benchmarks and may not be appropriate for the next generation of leaders.
Hase and Tay (2004:1) point out that standards and competence only measure past performance and what is needed is a future orientation. They argue that while competency can help in managing rational linear systems, there is a need for capable people to deal with the complex and uncertain environments that exist in the world today.

From Competency to Capability
Weiss and Molinaro (2005) cite the development of leadership capacity to cope with a rapidly changing internal and external environment as being one of the most significant challenges facing business today, particularly in the areas of “global competition, technological innovation, developing flexible organisations, building strong teams within organisations and responding to the various values and needs of employees.”

The Boston Consulting Group Study (BCG 2005: 1) note the need for managers to “develop the confidence to manage multi-generational teams,” and to change strategic thinking from the input-based approaches of yesteryear to the output and outcome-focused approaches required in the present and future. The changed make-up of the Australian workforce includes increasing numbers of mature workers, who have postponed their retirements and who have to work with colleagues from succeeding generations (i.e. Generations X and Y). Even the definition of what good leadership is can be tempered by the perspective of generation. Headington (2001) notes that Generation Xers view effective leaders as being sensitive to the needs of others, willing and able to involve others at all levels in decision-making and willing to empower their workers to work more autonomously. This suggests that the ability to support and develop others is seen as being important to the effectiveness of leaders.

Dainty and Anderson (1996: 16) suggest that organisations are moving away from the generic ‘competency’ approach to that of ‘capability’. They point out that transformational leadership is required to change – or transform – organisations, through influencing employees to perform at a level which exceeds expectations.

Leadership Capability in the Australian Public Sector
In Australia a great deal of work regarding leadership capability has centred around the Australian Public Service (APS), as evidenced in the Senior Executive Leadership

The SELC Framework formed the selection criteria and areas of development for the members of the APS Senior Executive Service. It established five core criteria considered to be essential for the delivery of high performance outcomes by the senior executives of the Australian Public Service (Table 2).

Table 2 - Senior Executive Leadership Capability (SELC) Framework

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Capabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achieves results</td>
<td>1. Builds organizational capability and responsiveness</td>
</tr>
<tr>
<td></td>
<td>2. Marshals professional expertise</td>
</tr>
<tr>
<td></td>
<td>3. Steers and implements change and deals with uncertainty</td>
</tr>
<tr>
<td></td>
<td>4. Ensures closure and drivers on intended results</td>
</tr>
<tr>
<td>Cultivates productive relationships</td>
<td>1. Nurtures internal and external relationships</td>
</tr>
<tr>
<td></td>
<td>2. Facilitates cooperation and partnership</td>
</tr>
<tr>
<td></td>
<td>3. Values individual differences and diversity</td>
</tr>
<tr>
<td></td>
<td>4. Guides mentors and develops people</td>
</tr>
<tr>
<td>Communicates with influence</td>
<td>1. Communicates clearly</td>
</tr>
<tr>
<td></td>
<td>2. Listens, understands and adapts to audience</td>
</tr>
<tr>
<td></td>
<td>3. Negotiates persuasively</td>
</tr>
<tr>
<td>Exemplifies personal drive and integrity</td>
<td>1. Demonstrates public service professionalism and probity</td>
</tr>
<tr>
<td></td>
<td>2. Engages with risk and shows personal courage.</td>
</tr>
<tr>
<td></td>
<td>3. Commits to action.</td>
</tr>
<tr>
<td></td>
<td>4. Displays resilience.</td>
</tr>
<tr>
<td></td>
<td>5. Demonstrates self awareness and a commitment to personal development</td>
</tr>
<tr>
<td>Shapes strategic thinking</td>
<td>1. Inspires a sense of purpose and direction.</td>
</tr>
<tr>
<td></td>
<td>2. Focuses strategically.</td>
</tr>
<tr>
<td></td>
<td>3. Harnesses information and opportunities.</td>
</tr>
<tr>
<td></td>
<td>4. Shows judgement, intelligence and common sense</td>
</tr>
</tbody>
</table>

Source: APSC 2001

These criteria were used as the standard model for recruitment of members of the APS Senior Executive Service at more senior levels. This standard model was later extended beyond the senior executives to include senior managers, and was renamed “The Integrated
Leadership System” (ILS) (APSC, 2004:1) designed for executive and senior management development and to “balance the relationship between leadership, managerial and technical skills” required in the public service.

The framework functions on the basis that APS leaders need to have a combination of technical and management skills together with leadership capabilities, the actual mix depending upon the level of seniority and type of agency. The leadership component provides a strong focus on improved strategic thinking and achieving results through people. Public sector frameworks may also be relevant to NFPs as many of them have taken on some of the welfare tasks which are usually a responsibility of the government. The ILS clearly recognises that “leadership” is different from “management” as shown by the identification and separation of different behaviours for each. The leadership capability model is shown in Table 3.

<table>
<thead>
<tr>
<th>Shapes strategic thinking</th>
<th>Leadership Component</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Inspires a sense of purpose and direction</td>
<td>Demonstrates and develops a vision and strategic direction for the branch/organisation</td>
</tr>
<tr>
<td>• Focuses strategically</td>
<td>Understand the organisation’s role within government and society, including the whole of government agenda</td>
</tr>
<tr>
<td>Achieves Results</td>
<td></td>
</tr>
<tr>
<td>• Ensures closure and delivers on intended results</td>
<td>Strives to achieve and encourage others to do the same</td>
</tr>
<tr>
<td>Cultivates Productive Working Relationships</td>
<td></td>
</tr>
<tr>
<td>• Values individual differences and diversity</td>
<td>Capitalizes on the positive benefits that can be gained from diversity and harnesses different viewpoints</td>
</tr>
<tr>
<td>• Guides, mentors and develops people</td>
<td>Offers support in times of high pressure and engages in activities to maintain morale</td>
</tr>
</tbody>
</table>

Source: APSC 2004: 4

One shortcoming of the ILS, according to Cooper (2005: 1), is that “it says little about how leaders make sense of the world and the consequences of this ‘meaning making’ process for behaviour” nor is it able to assess which executives are capable of being developed along these lines. A tool which does include understanding how people have developed their capacity to make meaning of the world is the Leadership Development Framework (LDF)
of Torbert et al (2004). The LDF is based on measurement tools that have been researched and validated for more than 30 years, and is considered to provide effective and relevant development options.

In the LDF, the characteristics of leaders are placed under what are called six “meaning making stages” or “action-logics” – Opportunist, Diplomat, Expert, Achiever, Individualist and Strategist. With each of the classifications, the framework provides a list of behaviours and qualities demonstrated by leaders. Of this group, “individualists” are identified as being creative, lateral thinkers, who “think outside the box” and who would promote and manage innovation and change, both for the organisation and for individuals. Within the rigidities of public sector culture, some people find Individualists to be uncomfortable - even threatening - to work with, causing tensions and conflict among conventional leaders (Cooper, 2005).

Leaders who might be considered as transformational leaders are classified as “Strategists” (ibid:3). Characteristics of Strategists include the behaviours associated with creating and sharing vision, and working with people to encourage them to make personal and organisational change. Being able to deal well with conflict identifies Strategists as being very effective change agents.

Cooper (2005:9) stresses that meaning making, when combined with other leadership capabilities, “such as cognitive power, emotional intelligence, valuing the work role and skills and knowledge,” can complete the strategic thinking aspect identified in the ILS. Cooper argues that public sector leaders should be developing more of the capabilities of Individualists and Strategists – or Transformational Leaders – in order to cope with and manage the pressures of constant change from the turbulent external environment in which public sector organisations have to operate.
NOT-FOR-PROFIT ORGANISATIONS (NFPs)

Emergence of Not-For-Profit Organisations

Salamon (1994) identified an international upsurge of organised voluntary activity through the creation of private, non-profit or non-governmental organisations around the world, largely as a result of four global crises and two revolutionary changes which have diminished the power of the state and opened the way for increased voluntary action: The four crises are:

- The crisis of the modern welfare state that is unable to fulfil its social obligations due to economic rationalism;
- The lack of development resulting from the dwindling average per capita income of many developing countries which were hit by the oil crisis of the ‘70s. This has led to new forms of development through assisted self-reliance and participatory development that depend on grassroots enthusiasm.
- A global environmental crisis has also stimulated a global environmental degradation as poor countries suffer form land overuse. People are getting very frustrated with government efforts and trying to organise their own efforts.
- The failure of socialism has also contributed to the third sector by the creation of new organisations to satisfy unmet social and economic needs by establishing cooperative enterprises and non governmental organisations (NGOs).

The two revolutions have been the dramatic communications revolution and consequent increase in education and literacy and the recent global economic growth after the oil crisis.

The NFP sector has clearly become a major actor on the world scene, with an explosive growth in the leadership responsibilities at the helm of these organisations (Connelly, 2004), resulting in increased expectation about the performance of these organisations from the public. NFPs are increasingly operating in an area where government and for-profit sectors also operate. Board members of NFPs are being called upon to solve complex business challenges faced by their organisations for which they are ill prepared. This means that they have to learn how senior managers in the for-profit sector deal with similar issues. However, Myers (2004) argues that any lessons or development programs adopted by NFPs from the public and private sectors must be adapted to meet the special needs of the NFP sector.
Developing Leaders in the Not-For-Profit Sector

It is argued that leadership of NFPs could be more complex than organisations in the for-profit sector and may be more akin to problems faced by public sector organisations, especially in the issues of complexity (Brooks, 2002). Therefore leadership development in the NFPs may have to look at leadership competencies and capability development in the public sector that has been reviewed earlier.

According to Hoffman (1995), there are high levels of leadership talent in NFPs, and the pool of volunteers is alive and well. “The answer still lies in people caring about people and taking the time to relate to each other because they care passionately about the same things. Just as money follows people, leadership emerges where needs are demonstrated effectively and people are clearly shown that they are needed and can be helpful” (ibid:30).

Leadership in Not-For-Profit Health and Community Care Organisations

Key areas where NFPs contribute to the Australian economy and social welfare are the health and community care sectors, which also have to work side-by-side with for-profit and public sector organisations such as hospitals and aged care centres. This results in increased expectations from the public towards the governance and leadership of these organisations.

There appears to be a lack of research in Australia on leadership capability development in the health and community care sectors among NFPs. A review of articles from 1998 to 2005 in the journal Nonprofit Management and Leadership found that the majority of papers dealing with leadership focussed on leadership at the Board or governance level, although Alexander et al., (2001) propose a leadership model for a community care network that is collaborative and not based on authority and hierarchy. None of the papers reviewed discussed a leadership framework for NFPs, leadership competency and capability, or leadership requirements of Senior Operational Managers working in NFPs.

There is therefore a need to investigate leadership capability development in the non-profit sector, focusing on organisations involved in health and community care. The results of such a study should contribute to knowledge that would be beneficial to all NFPs that are providing services to the public in an environment where both the private and public sectors also play a role in the Australian society.
SECTION 2: METHODOLOGY

ETHICS APPROVAL

Ethics approval was obtained from the Human Research Ethics Committee of Southern Cross University.

RESEARCH METHODS

Methods used in this study were contained in an Action Research Framework. The action research process is based on a repeating cycle which alternates between action and critical reflection (Diagram 1).

![Diagram 1: The Action Research Cycle. Source: McTaggart et al 1988](image)

**Original Research Plan**

The original research methodology included three stages:

- scenario-based workshops,
- in-depth interviews and
- a survey.

However, as this was an Action Research project, which is responsive to the outcomes of each phase of the research, the methodology was changed after the scenario workshops to include a broader cross-section of in-depth interviews. The outcomes of the interviews
indicated that a survey was not the appropriate next step for this developmental pilot study but would be an essential first step in the major planned follow-up study. It is envisaged that a broad survey will be undertaken as the first phase of a larger future project that will focus on validation, implementation and testing of the major components of the leadership framework developed in this project.

A final step in the research process was a targeted focus group, to enable inconsistencies in the data collected to be probed and clarified.

**Scenario-Based Workshops**
A criticism of current leadership capability frameworks is that they are based on what leaders are doing now rather than what they are expected to do in the future. This is particularly significant for NFPs as they are increasingly taking on roles that were the responsibility of the public sector and are also facing increased regulation and public scrutiny. Therefore the first step in this research was to hold two workshops using *scenario planning* to envision the future of NFPs over the next ten years (Schoemaker 1995).

1. Workshop 1 involved a wide sample of stakeholders (See Results, Section 3)
2. Workshop 2 involved a more focused sample of stakeholders (See Results, Section 3), and focussed on the competencies and capabilities that leaders might require to deal with the impact of scenarios developed in the first session.

**Informed consent - Workshops**
Prior to each workshop, all potential participants were sent an Information Sheet (see Appendix 1&2) explaining the purpose of the research. The Information Sheet included the primary research question to be explored in the workshops: *What is an appropriate leadership capability framework for not-for-profit organisations (NPOs) in the Health and Community Care sectors in Australia?* Participants were informed that Scenario-building techniques would be used to answer this question and that the workshops were to be followed by in-depth interviews. The Information Sheet also outlined the procedures that would be followed, participants’ time commitment and the confidentiality and other safeguards that would be used. Everyone who attended a workshop also signed a Consent Form (Appendix 3).
Both workshops were facilitated by an experienced consultant familiar with conducting future-planning processes. Prior to each workshop the facilitator used a modified two-stage email-based ‘Delphi process’ to obtain and prioritise relevant data about the sector and its environment.

For Workshop 1, participants were asked to complete an on-line questionnaire (see Appendix 3) about factors, external and internal, that might affect the NFP Health and Community Care sector in the future. This was done in order to generate a broad picture of the current environment of the NFP sector. Responses to the questionnaire were collated and distributed (unedited and un-attributed) back to the participants for prioritisation (see Results, Section 3).

In this second ‘prioritisation’ stage of the Delphi process the same method was used for each workshop. In the prioritisation process for both workshops each participant was given ten votes to cast on each category and were asked to indicate how many votes they wished to place on a particular item. In this way participants were able to indicate (with a higher number of votes) the degree of importance of the issue for them. The prioritised responses were then tabulated and presented at the workshop. Participants used this information to develop possible scenarios which NFPs may face over the next ten years.

For Workshop 2, a new group of participants also completed an on-line questionnaire (see Appendix 4) in which they were asked to match specific capabilities required of leaders in each of the possible future scenarios developed in Workshop 1. Participants were advised that while all of the scenarios did not have equal probability of occurring, they were all possible and so leaders of NFP organisations must be able to respond effectively to any of these scenarios. This was done in order to generate a comprehensive list of capabilities that would enable a NFP Health and Community Care leader to operate effectively in any situation. That is, by preparing for the worst NFPs are preparing for all possible situations.

Again, responses to the questionnaire were collated and distributed (unedited and un-attributed) back to the participants for prioritisation. (Note: for Workshop 2 there were 7 questions in the first round of the Delphi process; however in the second round, due to time constraints of participants, only the key questions relating to the major aims of the project - i.e. Qs1, 2, 4 & 6 - were sent out for prioritisation but results from all questions were
included in Table 4. The prioritised responses were then tabulated and presented at the workshop (see Results, Section 3).

**In-depth Interviews**

Eighteen interviews were completed with participants from the NFP sector, universities and government departments and agencies. Participants were provided with an Information Sheet (Appendix 5) which included the primary research questions and outlined the procedures to be followed e.g., that if they consented to an interview they would be asked to answer a series of questions relating to challenges faced by NFPs in the Health and Community Care sector and the leadership capabilities required to meet those challenges. Respondents were reassured about confidentiality and were advised that they were free to withdraw from the interviews at any time. Interview participants were also asked to sign a Consent Form (Appendix 6).

Participants were interviewed at a location convenient to them using a semi-structured questionnaire and a convergent interview method that took 45 to 60 minutes, depending on their responses. The convergent interview method probed for agreements and then probed further where there were apparent disagreements, so that each successive interview garnered more focussed information. With the consent of the participants the interviews were tape-recorded (one respondent did not consent to this).

Respondents were asked to identify key challenges that may be faced by NFPs in the Health and Community Care sector over the next five to ten years. Respondents were then asked to reflect on these challenges and identify actions that would be required to meet those challenges. Finally respondents were asked to reflect on what capabilities would be required of NFP leaders to implement these actions in the context of the identified challenges.

The interviews were transcribed and analysed by the research team. All identifying information was removed from the transcripts, in accordance with ethical research guidelines, to protect the privacy of the respondents. Each interview was assigned a random identification number. A complete list of the names and details of the respondents, including their organisation and role, is retained by the Chief Investigator.
Data Analysis
Qualitative data obtained from the workshops and interviews were recorded (with permission of the participants) and transcribed, themes were analysed and these contributed to the development of the draft framework.

Framework Development
Data from the workshops and interviews, in conjunction with an up-dated and revised literature review, was used to develop the first draft of a leadership capability framework, which was the major outcome of the pilot study.
SECTION 3: RESULTS

WORKSHOPS

Workshop 1
The goal of the first workshop was to develop possible future scenarios facing the NFP Health and Community Care sector in the next 5 to 10 years using the factors identified from the Delphi process that was conducted prior to the workshop (29 people participated in this component). In the Delphi process participants were asked to consider the following issues that may shape the future of NFPs:

1. Main factors outside of the Health and Community Care sector that are most likely to influence its viability and direction over the next ten years
2. Main factors within the Health and Community Care sector that are most likely to influence its viability and direction over the next ten years
3. The major impacts of these internal and external factors on the Health and Community Care sector

Main factors/challenges identified, in priority order, included:

1 - External Factors

Labour market
- Availability of appropriately trained personnel
- Recruitment and retention of suitable staff
- Workforce shortages/competing for qualified staff
- Industrial relations and the rebirth of unionism

Market expectations
- Demand for new and flexible service models
- Changing/increasing client demands
- Growth in demand for services
- Desire for greater choice
Ageing population

- Baby boomer ageing population explosion
- Longer life span and associated problems
- Changing expectations/changing choices resulting from longer life

Competition

- Private sector competition
- Emergence of commercially savvy low-cost providers
- Increasing competition for funds leading to ‘user pays’ model

Funding

- Inadequate levels of government funding
- Changing patterns of giving by individuals, groups and corporations
- Securing adequate/alternative funding

Community expectations

- Greater expectations of care models
- Poor public perception of Health and Community Care sector
- Difficulty in meeting increasing expectations of high quality care

Government policy

- Funding models (changing)
- Increasing complexity of regulatory framework
- Changing government priorities

2 – Internal Factors

Labour Market

- Skills/abilities of existing employees and ability to attract new staff
- Inability of the sector to match wages of private and public sector
- Ability to retain staff
- Ageing workforce
Funding

- Ability to secure adequate funding
- Changing funding models
- Allocation of government funding
- Funding for capital works

Government policy

- Regulatory compliance and reporting
- Accountability
- Accreditation requirements

Market expectations

- Changing demands and expectations of consumers
- Increasing demands of those in residential care to maintain independence and dignity

Service delivery models

- New models of service delivery
- Need to change staffing models to continue to offer quality care

Increased care needs

- Increased care needs within client mix (older and frailer)
- Increasing levels of clients in residential care with dementia and other high care needs

Quality and safety

- Demand for increased standards of care
- General quality and safety issues

3 – Major Impacts of these Internal and External Factors

Funding

- Inadequate government funding restricting capital development
• Shrinking donor pool and decreased donations
• Need to better manage income streams

Labour Market
• Inability to recruit, retain and train staff
• Inability to attract nurses for acute care due to competition with public and private sectors

Government policy
• Increase in government regulation
• Increasing complexity and load of reporting and accreditation

Competition
• Emergence of for-profits as dominant force in sector
• Move to tendering of all activities

Community expectations
• Increasing expectations of fairness, quality, inclusiveness etc.
• Community attitudes moving ahead of government regulations (regarding end of life planning etc)

Costs
• Increase in cost of service provision
• Increasing cost for development of new facilities

Service delivery models
• Market demands shift further away from current service delivery models
• Change to service models (more in-home care)

Ageing population
• Rapid increase in older population
• Greater numbers of frail aged
• Greater need for high care facilities
A face-to-face workshop was then held with the majority of the participants who took part in the Delphi process. Participants came from NFP Health and Community Care organisations, government departments and universities (N=22). Participants’ roles included Minister of religion, academic expert, aged or community care practitioner, CEO, Board member, General Manager and Director of Nursing.

The participants collectively developed 4 possible scenarios for the NFP Health and Community Care sector for the next 10 years (using the prioritised results from the Delphi questionnaire as points of discussion). Possible future scenarios identified were:

- **Business as usual** – This scenario was based on an organisation that did nothing to accommodate current and future sector change. In this scenario NFP organisations would be forced to provide fewer services due to reduction in staffing levels and increased costs. The quality of services would also be affected by workforce shortages and rising costs. This scenario also entailed a loss of clients due to poor services and poor public image. Inevitably under this scenario NFPs would have difficulty providing any service at all, have difficulty meeting workers’ entitlements (superannuation etc) and would eventually collapse under the weight of increased accreditation and reporting requirements that they would not be able to meet. This scenario was regarded by all as not a real option.

- **Globalisation** – This scenario entailed an increasing incursion into the NFP Health and Community Care sector by for-profit organisations (including from outside Australia) and a resultant decrease or shift in client base for NFPs. This scenario also included changing government funding models under the influence of large for-profit groups and an eventual drop in competition (once NFPs began to disappear and a small number of for-profits remained). This scenario featured reduced community involvement, rigid working conditions for staff and a shift from a market-driven model to a provider-driven model.

- **Whole of Sector Change** - This scenario featured the currently-occurring whole of sector change. In this scenario NFP organisations would be required to accommodate dramatic changes to funding models, staffing models and service delivery models as a result of regulatory change, shifts in demography and changing client attitudes.

- **Natural Disaster or Crisis** – This scenario featured an unpredictable natural disaster such as a pandemic (eg: bird flu) or a tsunami. In this scenario an NFP’s ability to
plan and prepare was featured as well as a need for NFPs to go back to basics (core clinical services). This scenario emphasised the need for leadership in times of crisis (and the reality that such leadership may emerge from anywhere in the organisation and not just from the top), the need for emergency management, the intervention of governmental agencies to establish priorities and manage vacancies and the sudden and dramatic change in community expectations and needs that would result from such a disaster.

An underlying principle of the scenario-building workshop (Workshop 1) was that if NFPs prepare for a small number of reasonably difficult possible scenarios then in effect they are preparing to deal, generally, with the unexpected.

**Workshop 2**
The purpose of the second workshop was to assess the possible impacts of the four future scenarios on NFP organisations in the Health and Community Care sector and to identify leadership capabilities that may be required to deal with those impacts.

The 19 participants (13 males, 6 females) came from NFP organisations, universities and government agencies. Participants’ roles included Board member, CEO, GM, DON and academic.

Using the prioritised results from the second Delphi questionnaire as points of discussion, the participants collectively developed a lengthy list of possible capabilities and competencies required of leaders for each future scenario for the NFP Health and Community Care sector for the next 10 years.

In order to meet the challenges associated with the possible future scenarios questionnaire respondents were asked what they thought are the main and additional competencies needed by NFP Health and Community Care managers.

Table 4 presents the competencies as prioritised by participants of Workshop 2:
<table>
<thead>
<tr>
<th>COMPETENCY/CAPABILITY:</th>
<th>GM</th>
<th>BM</th>
<th>P</th>
<th>A</th>
<th>M/DON</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Communication</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>High level communication skills for influencing, coaching, conflict management and negotiation</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Interpersonal communication skills</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relationship building skills</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Leadership Skills</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Ability to lead and develop staff and facilitate autonomy</td>
<td>✓✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Ability to delegate and empower staff appropriately</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategic thinking, planning and risk taking</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Understanding of Government Policy</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability to manage government reporting and accreditation requirements and an understanding of regulatory change</td>
<td>✓✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Human Resource Management</strong></td>
<td></td>
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</tr>
<tr>
<td>Ability to manage and develop human resources including skills in recruitment, retention, and performance development/management</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Financial Management</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Ability to implement financial reporting and operating processes</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Ability to budget effectively without adversely affecting operations and staff</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability to manage complex financial structures</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td><strong>Personal Qualities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motivated (‘can do’ attitude)</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Fairness, personal integrity</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability to treat staff justly while also being able to say ‘no’ when required</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mission Focussed</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability to relate to and promote faith/values of organisation</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

GM = General Managers, BM = Board Members, P = Pastors, A = Academics, M/DON = Mangers and/or Directors of Nursing.
✓ = gave support for item, ✓✓ = strong support.
In addition to the above participants also thought it was essential for leaders to have:

- Customer relations skills – Including an understanding of, and an ability to anticipate, the needs of clients.
- Sector knowledge – Including an understanding of regulatory change.
- Public relations and marketing skills – Including the ability to lobby governments and network.
- Collaboration – Including ability to create relationships internally and externally.

Overwhelmingly participants selected personal qualities, particularly values, as the main attributes for leadership capability. The table below shows the prioritised personal qualities the participants identified as key leadership criteria:

<table>
<thead>
<tr>
<th>ATTRIBUTE</th>
<th>GM</th>
<th>BM</th>
<th>P</th>
<th>A</th>
<th>M/DON</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adaptability</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Appropriate Values</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Sense of Humour</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>High Ethical Standards</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Versatility</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Passion for the Industry</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Creative Thinking and Innovation</td>
<td>✔✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Strong Leadership</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Client Focussed</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Good Communicator</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Integrity</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Initiative</td>
<td></td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>

GM = General Managers, BM = Board Members, P = Pastors, A = Academics, M/DON = Managers and/or Directors of Nursing.

✔ = gave support for item, ✔✔ = strong support.

It is proposed that this list of capabilities/competencies and attributes will enable leaders of NFP organisations to respond effectively to any of the possible scenarios. These capabilities are very similar to those later identified in the in-depth interviews showing an alignment between the data collected by the two methods (workshops/interviews). This alignment points to a general agreement as to the capabilities required of leaders in the NFP Health and Community Care Sector.
INTERVIEWS

In depth face-to-face interviews were completed with respondents from the NFP sector, universities and government departments and agencies (N=18). Respondents’ roles included: CEO, Director, President of a major seniors lobby group, Architect, Economist, Minister of Religion, Board Member, General Manager, Human Resources Manager and Business Development Manager. In addition a number of respondents were academic experts in fields such as management, economics and gerontology.

The largest group of respondents came from the NFP Health and Community Care sector (n = 9). Respondents from government departments and agencies were the next largest group (n = 5). Respondents from the university sector were the smallest group (n = 4). Of the total respondents 56% (n=10) were women and 44% (n=8) were men.

Themes Emerging From Interviews
A number of other key challenges faced by NFPs were identified by participants (Table 6). These are discussed in order of the number of participants who raised the issue.

Funding
In terms of key challenges for NFPs over the next 5 to 10 years respondents consistently raised the issue of funding, notably decreases in government funding, shrinking donations and the need to source alternative funding.

Staffing issues
These included the ongoing casusalisation of the workforce, workforce shortages, an ageing workforce, issues around retention and the need to compete with the government and private sectors for qualified staff. One area where this was seen as a major issue was in Aged Care with Registered Nurses (RNs) in Aged Care being paid considerably less than RNs in Acute Care. However, this was offset to some extent by those who saw the NFP sector attracting people who wanted to make a difference, or who had a philosophical reason to want to work in the NFP sector. In addition, some respondents noted that wage disparity could be offset to some degree by the capacity of the NFP sector to provide very generous ‘salary sacrifice’ packages.
Increasing complexity
Complexity in terms of regulatory controls, accreditation and reporting, along with sector change - a deregulated, privatised and more competitive market - were identified as key challenges by most respondents. A number of respondents in Aged Services emphasised the burden of reporting, often placed on frontline staff, which reduced the time spent on direct care in an environment in which care loads were also increasing.

Changing client needs/demands
The majority of respondents noted an increase in demand for services and changing client needs/demands – particularly as Baby Boomers age - as challenges being faced now which will be of increasing importance in the near future. Some respondents commented that this was already apparent as some Baby Boomers demanded additional or higher standard services for their parents. While in some cases these additional/ higher quality services were already being provided in extra-service facilities, some respondents expressed concern that those demanding such services may not have the capacity to pay for them. A number of respondents also noted that client needs, particularly those entering residential aged care, were greater than previously as clients were staying at home longer and were therefore generally older and frailer when they entered into care.

Technology
The uptake of technology, both information and assistive technologies, and the challenges of developing, implementing and paying for this uptake rated highly with most respondents on the list of future challenges. A number of respondents noted that assistive technologies enabled older people to stay at home longer which may contribute to a greater need for community care service providers in the future. Other respondents pointed to the need for the seamless integration of new technologies into daily operations which required expertise that is difficult and expensive to acquire.

Mission and market forces
The tension between maintaining a values and mission-based focus, while at the same time meeting the demands of market forces, was noted by several respondents as a major challenge. This challenge was perceived as being greater for church-based NFPs whose Board Members were recruited from clergy and church members.
Other challenges

Further challenges identified by respondents included:

- Organisational change – mainly in terms of growth required in order to remain competitive and increased staff professionalisation needed to address changing client needs and increasing demand as well as increasing complexity with regards legislative requirements and reporting;
- Training needs – with increased legislative complexity and demand for higher quality services the need for ongoing training is growing;
- Governance – clear demarcations of roles and responsibilities is often unclear in the NFP sector and there is a perceived need to clearly delineate roles and responsibilities of Boards, CEOs and Operational Managers;
- The need for more lobbying and advocacy – this was raised as a need both in terms of finding alternative funding sources and for disseminating information about the significant economic and social contributions of the NFP sector;
- Marketing – in order to compete with other services and attract clients;
- Succession planning – the recruitment and development of leadership and leaders.

An analysis of the interviews also reveals that there are some nearly intractable problems with future implications that might be worth deeper exploration:

- Increased demands of accreditation and compliance requirements
- More difficult to recruit volunteers which will worsen as volunteers age
- Decline of religious commitment amongst staff, volunteers, residents and the wider population which impacts on the viability of church-based NFPs
- Lack of government understanding of NFPs and, presumably, continuing thrust towards free market solutions for everything
<table>
<thead>
<tr>
<th>CHALLENGE</th>
<th>RESPONSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Funding</strong></td>
<td>17</td>
</tr>
<tr>
<td>• Sourcing adequate funding for needs</td>
<td></td>
</tr>
<tr>
<td>• Capital works</td>
<td></td>
</tr>
<tr>
<td>- Difficulty accessing capital</td>
<td></td>
</tr>
<tr>
<td>- Over-reliance on government funds and donations</td>
<td></td>
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<tr>
<td>• Wages</td>
<td></td>
</tr>
<tr>
<td>• Training/education</td>
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</tr>
<tr>
<td>• Office space</td>
<td></td>
</tr>
<tr>
<td>• Funding Models (changes to govt funding instruments)</td>
<td></td>
</tr>
<tr>
<td><strong>2. Staffing Issues</strong></td>
<td>12</td>
</tr>
<tr>
<td>• Recruitment</td>
<td></td>
</tr>
<tr>
<td>- Attracting skilled staff</td>
<td></td>
</tr>
<tr>
<td>- Attracting people with appropriate motivation</td>
<td></td>
</tr>
<tr>
<td>- Addressing concerns about low wages</td>
<td></td>
</tr>
<tr>
<td>- Poor business image of NFP sector</td>
<td></td>
</tr>
<tr>
<td>- Making NFPs ‘workplaces of choice’</td>
<td></td>
</tr>
<tr>
<td>• Retention</td>
<td></td>
</tr>
<tr>
<td>- Issues relating to ‘casualisation’ of workforce</td>
<td></td>
</tr>
<tr>
<td>- Poaching by for-profit sector</td>
<td></td>
</tr>
<tr>
<td>- Ageing workforce</td>
<td></td>
</tr>
<tr>
<td>- Poor image of service organisations (eg: aged services)</td>
<td></td>
</tr>
<tr>
<td><strong>3. Sector Change</strong></td>
<td>10</td>
</tr>
<tr>
<td>• Privatisation</td>
<td></td>
</tr>
<tr>
<td>• Deregulated and more competitive markets</td>
<td></td>
</tr>
<tr>
<td>• Mergers/consolidations of smaller organisations</td>
<td></td>
</tr>
<tr>
<td>• Moving from welfare to business model</td>
<td></td>
</tr>
<tr>
<td><strong>4. Increasing Demand for Services</strong></td>
<td>9</td>
</tr>
<tr>
<td>• Aged sector of community growing</td>
<td></td>
</tr>
<tr>
<td>• Clients generally more demanding</td>
<td></td>
</tr>
<tr>
<td><strong>5. Changing Needs of Clients</strong></td>
<td>9</td>
</tr>
<tr>
<td>• Ageing population</td>
<td></td>
</tr>
<tr>
<td>• Clients often frailer</td>
<td></td>
</tr>
<tr>
<td>• Changing demands of ‘baby-boomers’</td>
<td></td>
</tr>
<tr>
<td><strong>6. Technology</strong></td>
<td>8</td>
</tr>
<tr>
<td>• Uptake of technology</td>
<td></td>
</tr>
<tr>
<td>• Integration of technology into operations</td>
<td></td>
</tr>
<tr>
<td>• Cost of technology (prohibitive)</td>
<td></td>
</tr>
<tr>
<td>• Supportive/Assistive Technologies (implementing, developing, cost)</td>
<td></td>
</tr>
<tr>
<td>• IT systems (implementing, developing cost)</td>
<td></td>
</tr>
<tr>
<td>Table 6 (Cont)</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td><strong>7. Organisational Change</strong></td>
<td></td>
</tr>
<tr>
<td>• Legislative complexity</td>
<td></td>
</tr>
<tr>
<td>- Accreditation</td>
<td></td>
</tr>
<tr>
<td>- Compliance</td>
<td></td>
</tr>
<tr>
<td>- Reporting</td>
<td></td>
</tr>
<tr>
<td><strong>8. Training</strong></td>
<td></td>
</tr>
<tr>
<td>• Prohibitive cost</td>
<td></td>
</tr>
<tr>
<td>• Expectation of staff to train on own time</td>
<td></td>
</tr>
<tr>
<td>• Training models too generic</td>
<td></td>
</tr>
<tr>
<td><strong>9. Lobbying/Advocacy</strong></td>
<td></td>
</tr>
<tr>
<td>• Giving NFPs a voice</td>
<td></td>
</tr>
<tr>
<td>• Advocacy for the needy</td>
<td></td>
</tr>
<tr>
<td>• Lobbying governments for funding</td>
<td></td>
</tr>
<tr>
<td>• Networking for private funding</td>
<td></td>
</tr>
<tr>
<td><strong>10. Governance</strong></td>
<td></td>
</tr>
<tr>
<td>• CEOs</td>
<td></td>
</tr>
<tr>
<td>- Having vision</td>
<td></td>
</tr>
<tr>
<td>- Identifying with mission</td>
<td></td>
</tr>
<tr>
<td>- Making hard decisions</td>
<td></td>
</tr>
<tr>
<td>- Taking people with them</td>
<td></td>
</tr>
<tr>
<td>- Collaborative approach/delegation</td>
<td></td>
</tr>
<tr>
<td>- Delegation of powers to operational managers</td>
<td></td>
</tr>
<tr>
<td>• Boards</td>
<td></td>
</tr>
<tr>
<td>- sourcing expertise</td>
<td></td>
</tr>
<tr>
<td>- retaining expertise</td>
<td></td>
</tr>
<tr>
<td>- sharing expertise</td>
<td></td>
</tr>
<tr>
<td><strong>11. Marketing</strong></td>
<td></td>
</tr>
<tr>
<td>• Promoting a positive image of NFPs</td>
<td></td>
</tr>
<tr>
<td>• Promoting community contributions of NFPs</td>
<td></td>
</tr>
<tr>
<td>• Differentiating services from for-profit sector</td>
<td></td>
</tr>
<tr>
<td><strong>12. Mission Versus Market Forces</strong></td>
<td></td>
</tr>
<tr>
<td>• Tension balancing business processes with values</td>
<td></td>
</tr>
<tr>
<td><strong>13. Succession Planning</strong></td>
<td></td>
</tr>
<tr>
<td>• Currently not training leaders from within</td>
<td></td>
</tr>
<tr>
<td>• No confidence in generic training programs</td>
<td></td>
</tr>
</tbody>
</table>
**Action Required to Meet Challenges**

In the in-depth interviews respondents identified a wide range of actions required by NFP Health and Community Care leaders to meet the identified challenges of the next five to ten years (see Table 7).

Respondents consistently raised the issue of change management as a necessary response to the challenges identified. This was seen as a key capability in the context of a volatile, changing and complex sector.

Strategies suggested in response to staffing challenges included marketing NFPs as ‘workplaces of choice’, focussing on the positive values of NFPs, developing career paths for senior staff and creating education and training opportunities for staff.

Sourcing alternative funding, from private companies and other sources, also rated highly with interviewees as a result of the reduction in, and increased difficulty in obtaining, government funding.

A number of respondents suggested that growth and strategic alliances/strategic partnerships and/or organisational mergers may be needed in order to deal with increasing complexity, thus becoming large enough to acquire and retain specialists. A smaller number of the interviewees mentioned increased marketing activity as another possible response to a deregulated and increasingly competitive market. Growth was also noted as a strategy for dealing with the increase in demand for services and changing client needs, as was developing a stronger client focus.

Lobbying and advocacy were suggested as key ways to promote the contribution of NFPs to the wider community and to access alternative sources of funding.

Other possible actions identified by the respondents are presented in Table 7.
Table 7 - Actions Required to Meet Challenges

<table>
<thead>
<tr>
<th>ACTION</th>
<th>RESPONSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Manage Change</strong></td>
<td>17</td>
</tr>
<tr>
<td>• Keep abreast of policy change</td>
<td></td>
</tr>
<tr>
<td>• Train for new skills required to meet demands</td>
<td></td>
</tr>
<tr>
<td>• Think ahead</td>
<td></td>
</tr>
<tr>
<td>• Competitive analysis</td>
<td></td>
</tr>
<tr>
<td>• Understand needs and wants of clients</td>
<td></td>
</tr>
<tr>
<td>• Apply strategies to deal with growth</td>
<td></td>
</tr>
<tr>
<td>• Outcome/solution focussed approach</td>
<td></td>
</tr>
<tr>
<td><strong>2. Acquire Alternative Funding</strong></td>
<td>16</td>
</tr>
<tr>
<td>• Mixed revenue streams</td>
<td></td>
</tr>
<tr>
<td>• Private</td>
<td></td>
</tr>
<tr>
<td>• Sponsorship</td>
<td></td>
</tr>
<tr>
<td>• Other grant sources</td>
<td></td>
</tr>
<tr>
<td><strong>3. Re-think Staffing Models</strong></td>
<td>12</td>
</tr>
<tr>
<td>• Configure workplace to meet staff needs</td>
<td></td>
</tr>
<tr>
<td>• Design and implement strong induction program</td>
<td></td>
</tr>
<tr>
<td>• Develop current staff for leadership</td>
<td></td>
</tr>
<tr>
<td>• Provide career pathways for frontline staff</td>
<td></td>
</tr>
<tr>
<td>• Provide more appropriate training</td>
<td></td>
</tr>
<tr>
<td>• Recruit people with leadership attributes onto Boards</td>
<td></td>
</tr>
<tr>
<td>• Recruit people with leadership attributes as CEOs</td>
<td></td>
</tr>
<tr>
<td>• Become an ‘employer of choice’</td>
<td></td>
</tr>
<tr>
<td><strong>4. Source Skills</strong></td>
<td>12</td>
</tr>
<tr>
<td>• Recruit people with leadership attributes onto Boards</td>
<td></td>
</tr>
<tr>
<td>• Recruit people with leadership attributes as CEOs</td>
<td></td>
</tr>
<tr>
<td>• Expertise for Board</td>
<td></td>
</tr>
<tr>
<td>• Leadership skills for operational managers</td>
<td></td>
</tr>
<tr>
<td>• Management skills for Boards/CEOs</td>
<td></td>
</tr>
<tr>
<td>• Share skills/collaborate</td>
<td></td>
</tr>
<tr>
<td><strong>5. Grow/Diversify</strong></td>
<td>10</td>
</tr>
<tr>
<td>• Grow to incorporate wider range of skills/ expertise</td>
<td></td>
</tr>
<tr>
<td>• Diversify income stream</td>
<td></td>
</tr>
<tr>
<td>• Diversify service types in order to compete</td>
<td></td>
</tr>
<tr>
<td><strong>6. Become More Customer Focussed</strong></td>
<td>10</td>
</tr>
<tr>
<td>• Provide better quality service and more professional service</td>
<td></td>
</tr>
<tr>
<td>• Anticipate needs and wants of clients</td>
<td></td>
</tr>
<tr>
<td>• Make service delivery seamless</td>
<td></td>
</tr>
<tr>
<td>• Apply best practice</td>
<td></td>
</tr>
</tbody>
</table>
### Table 7 (Cont).

#### 7. Clear Strategy
- Understanding the organisation’s mission/core business
- Implement long-term plans
- Implement annual management plans
- Clearly-defined organisation culture

#### 8. Training
- Seek external ‘sector wide’ leadership training
- Develop internal ‘specialised’ leadership programs
- Find more ‘mutual’ ways for staff to access education
- Collaborate on ‘sector wide’ training programs/courses
- Develop industry specific training (e.g., community services)
- Develop in-house training modules

#### 9. Public Relations
- Develop a public relations strategy
- Develop a media profile
- Lobby governments
- Meet with business people and seek collaboration
- Collaborate with other NFPs

#### 10. Embrace Efficiency

#### 11. Succession Planning
- Train current staff
- Develop framework for recruiting leaders
  - Understanding necessary attributes
  - Understanding necessary expertise/skills
  - Understanding necessary qualifications

---

**Capabilities Required of Leaders (Table 8)**

The list of capabilities, competencies, attributes and qualifications respondents gave as being necessary for good leadership is extensive (see Table 8).

**Key skills**

Key skills mentioned were the ability to think, plan and act strategically. Respondents also expected leaders to be able to manage change and to apply financial skills, people management skills and public relations skills in an appropriate way.
Experience
Most respondents listed experience in human relations, general management and experience within the sector (e.g., aged services, disability services) as essential. Most respondents also said that leaders needed to be strongly identified with the mission and ethos of the organisation that they intended to lead.

Capabilities
Capabilities such as the ability to ‘see the big picture’, to understand social policy, to understand trends and changes in the sector were identified as significant.

Attributes
Respondents mentioned attributes such as vision, innovation, professional integrity, ethics and an understanding of social justice as key for leadership in the NFP Health and Community Care sector.

Leadership Capabilities Specific to Boards and CEOs
Some distinctions were made between capabilities needed in NFP organisations by leaders generally, and by CEOs and Board Members specifically. A number of respondents indicated that there were extra leadership capabilities required by Board Members and CEOs.

In order to define and delineate the different capabilities required of NFP Board Members and CEOs it was first necessary to more clearly delineate the different roles of the Board Member as opposed to the CEO. In terms of the workshop phase this was covered by Q6 of the questionnaire. Questionnaire respondents identified the following essential characteristics of a Governing Board:

- Knowledge of difference between management and governance
- Ability to recognise challenges and constructively support CEO
- A broad range of skills and life experience including financial and management
- Refrain from involvement in daily operations and focus on strategy
- Visionary
- Willingness to consult stakeholders while developing strategic plans
- Expertise in an area relevant to the sector/industry
A number of interview respondents also articulated that a Board Members’ principle function was to support the CEO in the development of strategic plans and to ensure that all decisions are made in the context of the organisation’s mission and/or values. Respondents also argued that Board Members should not be involved in day-to-day management decisions and operational matters which are more appropriately overseen by the CEO. It was suggested that Board Members should also play a significant role in lobbying, public relations and the marketing of the organisation to the wider community.

The extra capabilities required of CEOs and Boards are indicated in Table 8 and include innovation, strategy, vision and creative thinking.
Table 8 - Capabilities Required of Leaders

The numbering system used here relates to the Capabilities Matrix at Table 9.

R = the number of interview respondents who identified the capability

<table>
<thead>
<tr>
<th>LEADERSHIP CAPABILITY</th>
<th>GENERIC</th>
<th>BOARD</th>
<th>CEO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Strategy</strong> (R=12)</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>1a. Strategic thinking</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1b. Strategic planning</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1c. Strategic risk-taking</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1d. Deliverable/measurable outcomes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2. People Management</strong> (R=10)</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>2a. HR skills</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2b. Ability to recruit and select appropriate staff</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2c. Ability to supervise/lead</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2d. Ability to train</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2e. Ability to lead by example</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>3. Public Relations</strong> (R=10)</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>3a. Ability to develop a public relations strategy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3b. Ability to build a media profile</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3d. Ability to lobby governments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3e. Ability to network with business people and external parties</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4. Financial Skills</strong> (R=9)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>4a. Understanding of financial reporting processes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4b. Ability to source private and other funding</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4c. Grant and tender writing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4d. Creative around mixing revenue streams</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>5. Mission Focussed</strong> (R=8)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>5a. Values of organisation must be internalised</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5b. Understanding how decisions align with mission</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6. Understanding Issues and Trends of Sector</strong> (R=8)</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>6a. Social policy expertise</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6b. Understanding regulatory change</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7. Understanding of Needs of Clients</strong> (R=6)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>8. Change Management</strong> (R=5)</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>8a. Anticipate changes to policy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8b. Anticipate needs and wants of clients</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8c. Trains to meet needs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>9. Delegation</strong> (R=5)</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>9a. Delegate powers to operational managers where appropriate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9b. Ability to delegate tasks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9c. Encourage staff to be autonomous and proactive</td>
<td></td>
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</tr>
</tbody>
</table>
The lists of capabilities developed out of the scenario-building workshops was compared and contrasted with those which were identified in the in-depth interviews. This was done in order to generate a comprehensive list of capabilities that would enable a leader in an NFP Health and Community Care organisation to operate effectively in any situation. As a result of this comparative analysis, the research team developed a ‘capabilities matrix’ which takes into account the organisational context and situational challenges facing NFPs. The capabilities matrix can also be used as a tool at implementation level. This matrix/tool can be used to identify specific capabilities required of leaders in NFP Health and Community Care organisations to meet the specific challenges identified in the workshops and interviews.

As already described these challenges are associated with possible future scenarios of the next 5 to 10 years - globalisation, sector change and unpredictable natural disasters. The workshop participants agreed that the ‘business as usual’ scenario identified in Workshop 1 was not an option for the future as sector change was already occurring. The Capabilities Matrix relating to the remaining 3 scenarios is shown at Table 9.
<table>
<thead>
<tr>
<th>CHALLENGES</th>
<th>Sc. 1: GLOBALISATION</th>
<th>Sc. 2: CRISIS (eg: pandemic, natural disaster)</th>
<th>Sc. 3: MAJOR WHOLE OF SECTOR CHANGE (Requiring alternative funding, staffing and service delivery models)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding</td>
<td>I 1;4;16</td>
<td>T -</td>
<td>O 1;3;4;16</td>
</tr>
<tr>
<td>Staffing Issues</td>
<td>I 1;2</td>
<td>T -</td>
<td>O 1;2</td>
</tr>
<tr>
<td>Increased Client Demand</td>
<td>I 7;8</td>
<td>T 7;8</td>
<td>O 7;8</td>
</tr>
<tr>
<td>Changing Client Needs</td>
<td>I 7;8</td>
<td>T 7;8</td>
<td>O 7;8</td>
</tr>
<tr>
<td>Technology</td>
<td>I 6;8;14</td>
<td>T 6;8;14</td>
<td>O 6;8;14</td>
</tr>
<tr>
<td>Increased Accreditation and Reporting</td>
<td>6;8</td>
<td>T 6;8</td>
<td>O 6;8</td>
</tr>
<tr>
<td>Training</td>
<td>I 2;6;12</td>
<td>T 2;6;12</td>
<td>O 2;6;12</td>
</tr>
<tr>
<td>Lobbying / Advocacy</td>
<td>I 3;6;7;14</td>
<td>T 3;6;7;14</td>
<td>O 3;6;7;14</td>
</tr>
<tr>
<td>Governance (CEOs, Boards)</td>
<td>I 1-17</td>
<td>T -</td>
<td>O 1-17</td>
</tr>
<tr>
<td>Public Relations</td>
<td>I 3;14</td>
<td>T 3;14</td>
<td>O 3;14</td>
</tr>
<tr>
<td>“Mission Versus Market” Tension</td>
<td>I 5;6;7</td>
<td>T 5;6;7</td>
<td>O 5;6;7</td>
</tr>
<tr>
<td>Succession Planning</td>
<td>I 1;2;12;17</td>
<td>T -</td>
<td>O 1;2;12;17</td>
</tr>
</tbody>
</table>

KEY: I = Individual; T = Team; O = Organisation; S = Sector (Industry).
The numbers (1 to17) refer to clusters of capabilities found in Table 8: Capabilities Required of Leaders
DRAFT FRAMEWORK DEVELOPMENT

The purpose of this research was to develop a new leadership framework for the NFP Health and Community Care sector in Australia which recognised the complexity and changing nature of the sector.

As identified in the literature review, some work had been done on developing leadership frameworks in the public and for-profit sectors but little in the NFP sector. The existing frameworks were fairly uni-dimensional and were proving to be ineffective for NFP organisations. There was a need to develop a framework which was multi-dimensional, relational and dynamic, drawing on systems thinking and designed as an ‘open systems’ model.

KEY PROPOSITIONS

The key propositions underpinning the new leadership framework—informing by the literature, scenario workshops and in-depth interviews—are that:

A. It must respond to a changing environment typified by:
   • Changing models of care / changing models of service delivery
   • Operating in a volatile, uncertain, complex and ambiguous (VUCA) world (Johansen, 2007)
   • Whole of sector change
   • Tension between pressure on resources and demand for accountability
     o Government Accreditation
     o General demands for accountability

B. It must respond to increasing client demand and changing client needs particularly in relation to:
   • General pressure on resources
     o Financial
     o Staff
     o Volunteers
   • A greater level of frailty among clients
   • Baby Boomers increasing demands but, possibly, decreased capacity to pay
C. It replaces existing frameworks that are outdated and inadequate for current and future NFP needs and addresses redundancy of function (of complete roles and within roles) arising from sector and organisational changes requiring commensurate change in the tasks performed by those in certain roles.

D. The new framework can embrace the “Mission/Market tension” and reflect core values while thriving in a competitive environment.

E. The new leadership framework recognises and adapts to the fact that there is potential for tension between voluntary Boards, with diverse skills and strong opinions, and NFP CEOs.

F. The new framework is multi-dimensional – and reflects the complex interaction between context, challenge and role (see below).

G. The multi-dimensional nature of the new framework sets it apart from commonly-proposed two-dimensional public and private sector frameworks and is based on the much more diverse nature of the NFP sector.

H. Users of the new framework can begin at any point in the framework (unlike other models) and therefore it is dynamic, i.e. it can start with (required or existing) role, context, challenges, capability and move in any direction.

I. The new framework can assist in responding to any tensions around where the organisation is positioned—in terms of organisational sophistication, service delivery and the quality of leadership and management—and where the sector and/or its membership/congregation and/or governing bodies are positioned.

Based on these propositions, the new framework was designed within the context of how NFP organisations might deal with three core leadership issues – recruitment, succession and training. According to the data garnered from the scenario workshops and in-depth interviews, each of these issues needs to be dealt with in a way that is aligned with the mission and ethos of the organisation—the organisation’s core values—and in a way that
supports and develops the personal values of the person in the role of leader (where they harmonise with the organisation’s mission).

Diagram 2 presents the framework, which is then followed by an explanation of its component parts.
The new leadership framework takes into account the following four key process or systems categories: 1. Context, 2. Challenges, 3. Roles and 4. Capabilities.

1. Context
Organisational context can be divided into two basic categories – organisation type and sector/industry/market environment.

Type of organisation
The type of organisation, in terms of who the clients are and what services the organisation provides, is core to organisational context. In the NFP Health and Community Care sector this includes:

- Aged care
- Community care
- Disability services
- Church-based organisations
- Charitable and community organisations
- Large and/or small organisations
- Regional and/or national organisations
- Or, in some cases, a combination of two or more of these

Environment
In addition to the scenarios outlined above (or other internal/external environmental factors) the following factors are core to organisational context:

- Timing - What are the opportunities or challenges in the current time period?
- Location - How do local and/or regional differences impact on the organisation?
- Affiliations - How can the organisation’s professional and/or cultural/religious affiliations be used as a resource?
- Competition - What opportunities and or challenges are presented in the current environment?
- Life-age stage - Is the organisation in an establishing, developing or consolidating phase?
2. Challenges (Table 6)
Key challenges facing NFPs were identified in the workshops and the in-depth interviews. These included challenges that are also characterised as dilemmas, tensions and opportunities. Dilemmas are challenges which have unknown or unseen solutions (e.g. tsunami). Tensions are those between competing internal or external demands or needs (e.g. mission versus market). Opportunities are where a challenge provides the possibility of growth or improvement for the organisation (e.g. increase in demand for services). Of course some challenges are simply that and could not be characterised as a dilemma, tension or opportunity as the resolution is obvious (e.g. the need for staff training). The identified key challenges are diverse and require dynamic responses.

Possible solutions
Any possible solutions, or actions taken to respond to challenges (as identified in Table 6) need to be:

- Interactive - Solutions need to be able to encompass a wide range of factors; and
- Dynamic - Solutions need to be responsive to change and challenge

3. Roles (Table 8)
While capabilities are generic and relate to both context and environment, competencies are role-specific. Roles are determined by asking the following questions:

- Who does what? This requires the development of a tasks list.
- Who needs what competencies? This requires the development of a skills audit
- Who shouldn’t do what? This requires delineation and clarification of responsibilities

These questions are asked in terms of the following broad categories:

- CEO
- Board
- Operational Managers
- Frontline Staff
- Volunteers
- Congregation and/or Members
4. Capabilities/Capability Development

A number of questions need to be answered in order to ascertain the required capabilities of an NFP leader. These questions are answered within the context of a comparative analysis of private, public and the NFP sectors. Some questions might be:

- What is generic to the role of leadership?
- What is idiosyncratic to leadership within the NFP sector?

Leadership capability development (formal training and in situ experience), leadership recruitment and succession planning are all undertaken in the context of the following broad categories:

- Knowledge
- Experience
- Qualifications
- Skills
- Attributes (personal characteristics)
- Ability to apply

Using The New Framework

The new leadership meta-framework is innovative and dynamic in that users of the framework can begin at any point in the framework which enables users to accommodate diverse factors such as organisational context and environment. The new framework is envisaged as a tool in recruiting leaders, developing leaders and in succession planning.

Users can start with (required or existing) Role, Context, Challenges, or Capability and move in any direction, e.g. from Challenge to the Capabilities required to meet that challenge and then to Role in order to consider what role should deal with the challenge. Alternatively, it is possible to move from Role (e.g., where an NFP is seeking to make a new appointment) to the Context in which that role operates, the Challenges the person in the role will face and the Capabilities required in order to function in the role. The Capabilities Matrix (Table 9) can be used to identify the capabilities required at the level of individual, group, organisation and sector (industry) in each context and scenario. Tables 4-8 can be used as supports in the process.
Other models do not accommodate the environmental complexity, uncertainty and volatility of the NFP Health and Community Care sector. Therefore it is proposed that the new leadership meta-framework will be a more suitable tool in selecting and developing leaders for the NFP Health and Community Care sector.

The new framework has been designed for use in a wide range of settings and if this proves to be the case it is possible that it could be of use outside the sector.

COMPARING PARADIGMS

It is important to analyse and compare the new meta-framework, as a whole and each component part, with the existing frameworks used in the public and private sectors (as per Tables 1-3), to identify alignments and differences and make a judgement on their usefulness or otherwise for the NFP Health and Community Care sector.

The table below compares the main strengths and major components of the new meta-framework and the existing for-profit and public frameworks, identified in Section 1, in terms of their ability to deal with the factors identified in the research as being important to the NFP Health and Community Care sector:
Table 10 – Comparing Paradigms

<table>
<thead>
<tr>
<th>STRENGTHS OF FRAMEWORKS</th>
<th>NFP</th>
<th>QUINN</th>
<th>SELC</th>
<th>ILS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-dimensional</td>
<td>✓</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Interactive</td>
<td>✓</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Dynamic</td>
<td>✓</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Flexible</td>
<td>✓</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>‘Open Systems model’</td>
<td>✓</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Accommodates Complexity and Change</td>
<td>✓</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>OTHER COMPONENTS:</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Context</td>
<td>✓</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Challenges</td>
<td>✓</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Roles</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Capabilities</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Capability Development</td>
<td>✓</td>
<td>✓</td>
<td>NO</td>
<td>NO</td>
</tr>
</tbody>
</table>

Key: NFP = new meta-framework (Diagram 2); Quinn = framework at Table 1; SELC = framework at Table 2; ILS = framework at Table 3.

**FINAL FOCUS GROUP**

A final Focus Group, facilitated by a very experienced academic and leadership expert, was held to “round out” the findings of the study. There were eight participants, including one (a research student) who joined the group by teleconference. Other participants included a futurist with extensive NFP experience, four were staff of aged care facilities and two were pastors in the Lutheran church.

There were three phases to this focus group:

A. A vision for the NFP aged care sector

B. Comments on the leadership framework diagram

C. Comments on the expected rate of change and its effects.

Participant comments were captured on butcher’s paper, to enhance discussion.
A. Vision

Participants were asked to imagine that it was 2023, and that the NFP Aged and Community Care sector had achieved absolute excellence far beyond anyone's expectation. Participants were asked for optimistic descriptions of what that would be like. To maximise the diversity of responses, people were given individual thinking time before their responses were collected.

Responses, in the order in which they were collected, were:
1. Research centres
2. Career of choice for young adults
3. Older people pursuing active and healthy lives.
4. State of art facilities, for instance IT in each room
5. Boards of governance demonstrating exemplary governance - boards are visionary builders
6. Showing integration of health and care sectors
7. Exemplary integrated systems management
8. Compliance addressed as an issue
9. High staff/client ratio -- 100% client satisfaction
10. Sector recognised as having high impact
11. Strong relationship with, and consulted by, government
12. Enormous variety of services and service types
13. Case management in aged care
14. No division between high and low care; increase in extra services, increase in patient acuity
15. Excellent volunteers
16. Concept "aged" will have changed substantially
17. Interaction with artificial intelligence
18. Self-directed client care; blending of government assistance
19. Passionate managers and leaders
20. People don't fear poverty or death.
B. Leadership framework

Each participant was given two copies of the diagram: one to write on and one to keep for themselves. After they had time to study the diagram and understood the parts of it, they were asked to: asterisk the most important components; write in any missing concepts in an appropriate part of the diagram; and to label the arrows with what they understood them to mean.

Concepts receiving two asterisks were:

- Context **
- Roles **
- Capabilities **
- Capability development **
- CEO, Board, Operational managers **
- Role specific **

The following received one asterisk:

- Ability to apply experience *
- Learning to learn *
- Knowledge, qualifications, skills *
- Challenges*

Comments on the diagram (recorded in the words of the participants but with explanatory comments from the facilitator in square brackets) included:

1. Include two boxes on either side of "Context" in context
2. List out two things that influence the context
3. Arrows [i.e. single one-directional arrows] mean "include"
4. Label it [i.e. the diagram] "leadership" -- this is what leadership is [There was some discussion about this, with most participants agreeing that "leadership" could be placed at the centre of the diagram, or alternatively the diagram as a whole, or the four central boxes, being circled and labelled "leadership"]
5. Central boxes are important
6. More central role for clients
7. Outcome-based measures?
8. Vision is linked to leadership capabilities
9. Resources are a big one
10. Overlay for types of leadership
11. Structural arrangements are 80% of effectiveness
12. National policy setting
13. More involvement of staff in interaction with government/policy
14. Environment includes perturbations
15. Possible solutions – proactive
16. Four central elements need validation with staff and clients
17. People own the policies they help to shape
18. More interrelationships than the diagram shows
19. Does the sector allow government to define what it is
20. Reactive or proactive vision and mission? - Role of Board is key here
21. Vision is seldom practised
22. [Call it a] "leadership code of practice" rather than "framework"?

C. Expected rate of change
Note: This phase of the focus group was included because there was little mention of the rate of change in the earlier interviews. In this Focus Group, the concept evoked much energetic discussion. It is possible that people in health and community NFPs may not think much about the pace of change when asked general questions about aged care but when change is explicitly mentioned, it is clear that they are aware of it and regard it as important.

Responses, again in the words of the participants, were:

1. Boomers not receptive to change (Board level)
2. Late-boomers, X-ers, more open to change
3. Gen Y [attitude is] "Bring it on!"
4. Are clients looking for change?
5. Present clients are compliant
6. Alert mechanisms? -- mostly at government level, which is reactive rather than proactive
7. Proactive research needed to drive policy agenda from clients' perspective
8. Future not only about change, but also about complexity - fractal and non-linear, beyond our cognitive ability

9. Change will be forced upon us e.g. by aging, by tax base, by client demands

10. Media is key driver of rate of change, government agenda, etc., underestimated

11. Big changes will happen because of government funding

12. Residential aged care hasn't changed much in past 15 years

13. Increased research on aging will impact

14. See "6". Perturbations unpredictable - response [time] longer than rate of perturbations [i.e. frequency with which perturbations occur].

Outcomes of the focus Group were considered by the research team and will be included in discussion for the next Stage of the development of the Framework, i.e. the submission of an ARC Linkage Grant, which will include additional Industry partners and Universities.
SECTION 4: DISCUSSION

The main research question for this project was: What is an appropriate leadership capability framework for not-for-profit organisations (NFPs) in the health and community care sectors in Australia?

To answer this question, workshops and interviews were conducted with a range of stakeholders from within and outside the sector. Issues explored included:

1. the differences between management and leadership
2. challenges facing the industry and competencies and leadership capabilities required to address these challenges
3. Are any elements of existing leadership capability frameworks developed for both public and for-profit organisations in Australia applicable to NFPs?

Findings from all components of the study were incorporated to develop a draft framework for use in the NFP health/aged and community care sector.

Leadership Education
It was acknowledged throughout the project that for the framework to be of maximum value, it will need to be incorporated into leadership training and education. This will be part of the on-going work of the consortium.

Future Research
The framework developed in this Pilot project now requires more rigorous implementation and testing. It will form the core element of a multi-state, multi-University, multi-Industry partner collaboration which will seek Commonwealth government and Industry funding through an ARC Linkage Grant submission to undertake an extensive 3-year project to further develop, implement and test the concept, and to assess its usability in real-world conditions.

Study Limitations
This study was a small, localised project, conducted with limited funding and dispersed resources. A more rigorous project is envisaged to follow.
Workshop Information Sheet

Title of Study: Developing a leadership capability framework for not-for-profit Australian health and community care organisations.

You are invited to participate in a scenario-building workshop for a research project that seeks to develop a leadership capability framework for not-for-profit (“NPO”) organisations in the health and community care sectors in Australia. The research is being conducted by Professor Colleen Cartwright, Director of the Aged Services Learning and Research Collaboration (ASLaRC) of Southern Cross University (SCU), in partnership with Ms Jacqui Kelly, Chief Executive Officer of Lutheran Community Care (LCC) Queensland, and Dr Shankar Sankaran, of the University of Technology Sydney.

The study will investigate the question: What is an appropriate leadership capability framework for not-for-profit organisations (NPOs) in the health and community care sectors in Australia? Scenario-building workshops/techniques will be used to identify potential challenges likely to be faced by NPOs in the future, and the competencies and leadership capabilities that senior managers will require in order to meet those challenges. The workshops will be followed by in-depth interviews and a postal survey.

Procedures to be followed: If you consent to participate in the workshop you will first be asked to complete an on-line task in which you will be presented with four possible scenarios that could confront not-for-profit organisations over the next ten years and answer a series of questions relating to those scenarios. The process is designed to explore the potential impact of those scenarios on leadership of NPOs in the health and community care sector. The workshop will consider the steps that might be possible to deal with issues identified in these scenarios. Workshops will be facilitated by Professor Alan Davies, an experienced consultant who is familiar with conducting future planning processes. With permission of participants, the workshop may be tape-recorded but you may ask for the tape recorder to be switched off at any time during the session. You are also free to withdraw from the workshop at any time, with no questions asked and no negative impact on you of any kind. LCC has agreed to these conditions in relation to any of their employees. Workshop participants will also be asked to give an undertaking that they will not repeat outside the group any personal or sensitive information that arises during the session.

For statistical reporting purposes, some demographic information will be collected. This will consist of your age, gender and role within your organisation. No other personal information will be collected by the researcher and all information provided will be kept completely confidential. No identifying details will be used in publications from the study.

Participation is entirely voluntary; if you choose not to participate you will not be asked for an explanation, nor will there be any work-related or other negative consequences. If you
are a staff member of LCC there will be no time cost to you as the workshop will be conducted during your normal working time. If you are not a staff member, the only cost to you will be your time; LCC has agreed to reimburse travel costs for non-staff participants.

Possible Discomforts and Risks
There are no foreseeable risks or discomforts in taking part in the workshop.

Responsibilities of the Researcher
It is our duty to make sure that any information given by you is protected. Your name and other identifying information will not be attached to tape transcriptions and all reporting will be at a group level. It is essential that you sign a Consent Form before you participate in the workshop. Consent Forms will be given to participants for signing on the day of the workshop. All signed Consent Forms will be held in a locked filing cabinet in the ASLaRC offices for a period of five years before being destroyed.

Inquiries
This form is yours to keep for future reference. If you have any questions at any time please feel free to ask the focus group facilitator. If you prefer, you may contact the Chief Investigator, Professor Colleen Cartwright, or the Lutheran Community Care investigator Ms Jacqui Kelly, as follows:

Professor Colleen Cartwright
ASLaRC
Southern Cross University
Hogbin Drive
Coffs Harbour NSW 2452
Email: colleen.cartwright@scu.edu.au
Phone: (02) 6659 3382
Fax: (02) 6659 3622

Ms Jacqui Kelly
Lutheran Community Care

The ethical aspects of this study have been approved by the Southern Cross University Human Research Ethics Committee. The Approval Number is ECN-07-05. If you have any complaints or reservations about any ethical aspect of your participation in this research, you may contact the Committee through the Ethics Complaints Officer:

Ms Sue Kelly
Ethics Complaints Officer and Secretary
HREC, Southern Cross University
PO Box 157, Lismore, NSW, 2480
Telephone (02) 6626-9139 or fax (02) 6626-9145
Email: sue.kelly@scu.edu.au

All complaints, in the first instance, should be in writing to the above address. All complaints are investigated fully and according to due process under the National Statement on Ethical Conduct in Research Involving Humans and this University. Any complaint you make will be treated in confidence and you will be informed of the outcome.
APPENDIX 2

INFORMED CONSENT
to Participate in a Research Project Workshop

This consent form is based on Guidelines from the National Statement on Ethical Conduct Involving Human Participants as issued by the NHMRC.

Name of Project: Developing a leadership capability framework for non-profit Australian health and community care organisations.

Researchers:
Professor Colleen Cartwright*  Ms Jacqui Kelly
ASLaRC  Lutheran Community Care
Southern Cross University
Hogbin Drive
Coffs Harbour  NSW  2452
Email: colleen.cartwright@scu.edu.au  Email: Jacqui.Kelly@qld.lca.org.au;
Phone : (02) 6659 3382  Phone: (07) 3511 4037
Fax:   (02) 6659 3622

Dr Shankar Sankaran
Shankar.Sankaran@uts.edu.au

*Person Responsible for the study.

I …………………………………………………………………………… have been provided with information at my level of comprehension about the purpose, methods, risks, inconveniences, discomforts, and possible outcomes of this research (including any likelihood and form of publication of results).

I have read and understand the details contained in the Information Sheet. I have had the opportunity to ask questions about the study and I am satisfied with the answers received.

I agree to participate in the above research project by attending a scenario-building workshop.

I understand that the workshop will be recorded on audiotape, and that I may request the tape-recorder to be turned off at any time during the workshop. I understand that I am free to discontinue participation at any time and that if I withdraw from participation in a workshop, it will not be possible to destroy all tapes or notes as these will include information willingly provided by other participants but information provided by me will be deleted, to the extent that it is possible to identify that.
I understand that any personal information which may identify me will be kept completely confidential and no information I have provided will be linked to my person. (*Privacy Act 1988 [Cth]*)

I understand that neither my name nor any identifying information will be disclosed or published, except with my permission.

I understand that all information gathered in this research is confidential and will be kept securely and confidentially for 5 years, at Southern Cross University.

I am aware that I can contact the Chief Investigator or other researchers at any time with further inquiries, if necessary.

The ethical aspects of this study have been approved by the Southern Cross University Human Research Ethics Committee (HREC). The Approval Number is ECN-07-05.

*If you have any complaints or reservations about any ethical aspect of your participation in this research, you may contact the Committee through the Ethics Complaints Officer:*

Ms Sue Kelly  
Ethics Complaints Officer and Secretary  
HREC, Southern Cross University  
PO Box 157, Lismore, NSW, 2480  
Telephone (02) 6626-9139 or fax (02) 6626-9145  
Email: sue.kelly@scu.edu.au

*All complaints, in the first instance, should be in writing to the above address. All complaints are investigated fully and according to due process under the National Statement on Ethical Conduct in Research Involving Humans and this University. Any complaint you make will be treated in confidence and you will be informed of the outcome.*

I understand that I will be given a copy of this consent form for my records. The researcher will also keep a copy.

*I have read the information above and agree to participate in this study. I am over the age of 18 years.*

Name of Participant: …………………………………………………………………………………………………………………

Signature of Participant: …………………………………………………………………………………………………………………

Date: ………………………………………………………………………………………………………………………………………

I certify that the terms of the Consent Form have been verbally explained to the participant and that the participant appears to understand the terms prior to signing the form.

Name & Contact Detail of Witness: ………………………………………………………………………………………………………

Signature of Witness: …………………………………………………………………………………………………………………

Date: ………………………………………………………
APPENDIX 3

LEADERSHIP AND MANAGEMENT FRAMEWORK QUESTIONNAIRE 1

QUESTION 1
In your view, what are the main factors outside of the Health and Community sector that are most likely to influence its viability and direction over the next 10 years?
1.
2.
3.
4.
5.

QUESTION 2
In your view, what are the main factors inside the Health and Community sector that are most likely to influence its viability and direction over the next 10 years?
1.
2.
3.
4.
5.

QUESTION 3
In your view, what will be the major impact on the Not-for-profit sector over the next 10 years of the factors you identified in question 1?
1.
2.
3.

QUESTION 4
In your view, what will be the major impact on the Not-for-profit sector over the next 10 years of the factors you identified in question 2?
1.
2.
3.

QUESTION 5
In your view, what are the 3 possible events outside or within the Health and Community not-for-profit sector that would have the greatest impact on its viability and direction over the next 10 years – regardless of their probability of occurring?
1.
2.
3.
QUESTION 6
How likely do you think it is that these events will occur? (For each event you listed in Q5, please highlight or otherwise identify the number in the scale that reflects your opinion)

<table>
<thead>
<tr>
<th></th>
<th>Very Likely</th>
<th>Likely</th>
<th>Somewhat Likely</th>
<th>Not Very Likely</th>
<th>Not At All</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Other Comments:
APPENDIX 4

LEADERSHIP AND MANAGEMENT FRAMEWORK QUESTIONNAIRE 2

Please read the attached Scenarios and then answer the following questions:

QUESTION 1
In your view, what are the main competencies needed by managers in the Not-for-Profit (NFP) Health and Community sector based on your experience in this and other sectors?
1. 
2. 
3. 
4. 
5. 
6. 
7. 
8. etc.

QUESTION 2
In your view, what are the main additional competencies that will be needed over the next 10 years by managers in the NFP Health and Community sector based on the attached scenarios?
1. 
2. 
3. 
4. 
5. 
6. 
7. 
8. 
9 etc

QUESTION 3
In your view, what are the main training & development needs for managers over the next 10 years based on your answers to Q1 & 2?
1. 
2. 
3. 
4. 
5. etc

QUESTION 4
In your view, what are the main attributes we need to select for in future managers and leaders given your responses to Q1 & 2 above?
1. 
2. 
3. 
4. 
5. etc
QUESTION 5
Given the definition of capability and your answer to question 4, how can we develop capable leaders for the futures we envisage?
1.
2.
3. etc

QUESTION 6
What are the characteristics of a Governing Board that would be needed to support capable leadership in CEOs/ GMs/ DoN's and other staff in leadership roles, given the scenarios attached?
1.
2.
3.
4.
5. etc

QUESTION 7
What would be the characteristics of your organization in the future if it is able to deal adaptively with the attached scenarios? For example Structure, Strategy, Staffing, Management Style, Relationships with external Stakeholders.
1.
2.
3.
4.
5. etc
APPENDIX 5

INTERVIEW INFORMATION SHEET

Title of Study: Developing a leadership capability framework for not-for-profit Australian health and community care organisations.

You are invited to participate in a research project that seeks to develop a leadership capability framework for not-for-profit (“NFP”) organisations in the health and community care sectors in Australia. The research is being conducted by Professor Colleen Cartwright, Director of the Aged Services Learning and Research Collaboration (ASLaRC) of Southern Cross University (SCU), in partnership with Ms Jacqui Kelly, Chief Executive Officer of Lutheran Community Care (LCC), and A/Prof Shankar Sankaran, of the University of Technology Sydney.

The study will investigate the question: What is an appropriate leadership capability framework for not-for-profit organisations (NPOs) in the health and community care sectors in Australia? Scenario planning techniques will be used to identify potential challenges likely to be faced by NPOs in the future, and the competencies and leadership capabilities that senior managers will require in order to meet those challenges.

Procedures to be followed: The research will be conducted using scenario-building workshops, in-depth interviews and a postal survey. The rest of this information relates only to the interview component of the project.

If you agree to an interview you will be asked for your perspective on the skills that competent managers and leaders in not-for-profit health and community care sector are likely to need, based on your experience and understanding of NFPs. The interview should take 45 to 60 minutes, depending on your responses. With your permission the interview will be tape-recorded but you may ask for the tape recorder to be switched off at any time during the interview. You are also free to stop the interview at any time, with no questions asked and no negative impact on you of any kind.

To facilitate statistical reporting, demographic information will be collected as part of the interview. This will consist of your age, gender and role within your organisation. This information will allow the research team to better understand the perspectives of different groups of people. No other personal information will be collected by the researcher and all information provided will be kept completely confidential. No identifying details will be used in any reports or other publications from the study.
Participation is entirely voluntary; if you choose not to participate you will not be asked for an explanation. The interview will be conducted in your workplace or another location that is convenient to you, so the only cost to you will be your time.

Possible Discomforts and Risks
There are no foreseeable risks or discomforts in taking part in the interview.

Responsibilities of the Researcher
It is our duty to make sure that any information given by you is protected. Your name or other identifying information will not be attached to the tape transcriptions. It is possible that results of the study will be published in a peer-reviewed journal or presented at a relevant conference but all reporting will be at a group level.

It is essential that you sign a consent form before you participate in this study. All signed consent forms will be held in a locked filing cabinet in the ASLaRC offices for a period of five years before being destroyed.

Inquiries
This form is yours to keep for future reference. If you have any questions at any time please feel free to ask the interviewer. If you prefer, you may contact the Chief Investigator, Professor Colleen Cartwright, or the Lutheran Community Care investigator Ms Jacqui Kelly, as follows:

Professor Colleen Cartwright                           Ms Jacqui Kelly
ASLaRC                                                Lutheran Community Care
Southern Cross University                            
Hogbin Drive                                          
Coffs Harbour  NSW  2452                              
Email:  colleen.cartwright@scu.edu.au             Email:  Jacqui.Kelly@qld.lca.org.au;
Phone : (02) 6659 3382                               Phone: (07) 3511 4037

The ethical aspects of this study have been approved by the Southern Cross University Human Research Ethics Committee. The Approval Number is ECN-07-05. If you have any complaints or reservations about any ethical aspect of your participation in this research, you may contact the Committee through the Ethics Complaints Officer:

Ms Sue Kelly
Ethics Complaints Officer and Secretary
HREC, Southern Cross University
PO Box 157, Lismore, NSW, 2480
Telephone (02) 6626-9139 or fax (02) 6626-9145
Email:  sue.kelly@scu.edu.au

All complaints, in the first instance, should be in writing to the above address. All complaints are investigated fully and according to due process under the National Statement on Ethical Conduct in Research Involving Humans and this University. Any complaint you make will be treated in confidence and you will be informed of the outcome.
APPENDIX 6

INFORMED CONSENT

to Participate in a Research Project

This consent form is based on Guidelines from the National Statement on Ethical Conduct Involving Human Participants as issued by the NHMRC.

Name of Project: Developing a leadership capability framework for non-profit Australian health and community care organisations.

Researchers:

Professor Colleen Cartwright*  Ms Jacqui Kelly
ASLaRC Lutheran Community Care
Southern Cross University
Hogbin Drive
Coffs Harbour  NSW  2452

Email: colleen.cartwright@scu.edu.au  Email: Jacqui.Kelly@qld.lca.org.au;
Phone : (02) 6659 3382           Phone: (07) 3511 4037

Dr Shankar Sankaran
Shankar.Sankaran@uts.edu.au

*Person Responsible for the study.

I …………………………………………………………………………… have been provided with
information at my level of comprehension about the purpose, methods, risks,
inconveniences, discomforts, and possible outcomes of this research (including any
likelihood and form of publication of results).

I agree to participate in the above research project. I have read and understand the details
contained in the Information Sheet. I have had the opportunity to ask questions about the
study and I am satisfied with the answers received.

I agree to an interview and to my interview being recorded on audiotape.

OR
I do not agree to my interview being audio-taped and prefer the researcher to take hand
written notes.
(Please cross out whichever one does NOT apply)
I understand that I am free to discontinue participation at any time and that if I withdraw from participation in an interview, any tapes or handwritten notes of that interview will be destroyed.

I understand that any personal information which may identify me will be kept completely confidential and no information I have provided will be linked to my person. (*Privacy Act 1988 [Cth]*)

I understand that all information gathered in this research is confidential. It will be kept securely and confidentially for 5 years, at the University.

I am aware that I can contact the Chief Investigator or other researchers at any time with further inquiries, if necessary.

The ethical aspects of this study have been approved by the Southern Cross University Human Research Ethics Committee (HREC). The Approval Number is ECN-07-05.

*If you have any complaints or reservations about any ethical aspect of your participation in this research, you may contact the Committee through the Ethics Complaints Officer:*

Ms Sue Kelly  
Ethics Complaints Officer and Secretary  
HREC  
Southern Cross University  
PO Box 157  
Lismore, NSW, 2480  
Telephone (02) 6626-9139 or fax (02) 6626-9145  
Email: sue.kelly@scu.edu.au

*All complaints, in the first instance, should be in writing to the above address. All complaints are investigated fully and according to due process under the National Statement on Ethical Conduct in Research Involving Humans and this University. Any complaint you make will be treated in confidence and you will be informed of the outcome.*

*I have read the information above and agree to participate in this study. I am over the age of 18 years.*

Name of Participant:  

Signature of Participant:  

Date:
REFERENCES


