

LEADING OUR FUTURE

Reimagining Leadership in Ontario's Nonprofit Sector



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About ONN

ONN is an independent nonprofit network for the 58,000 nonprofits and charities in Ontario, focused on policy, advocacy, and services to strengthen the sector as a key pillar of our society and economy. We work to create a public policy environment that allows nonprofits to thrive. We engage our network of diverse nonprofit organizations to work together on issues affecting the sector and channel the voices of our network to governments, funders, and other stakeholders.

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Introduction

Much has changed in the past several years which prompts us to, once again, interrogate the future of leadership in the nonprofit sector.

Major shifts that have impacted our sector include public health emergencies, climate disasters, deepening and fast-spreading polarization, devolving commitments to diversity, equity, and inclusion, and an affordability crisis. At the same time, for the past three years, nonprofits have been facing a labour force crisis where recruitment and retention of nonprofit leaders is a particular challenge, amidst stagnant and declining revenues and increase in exponential demand for programs and services. Nonprofits are called on to do more with less in an impossible environment.

Given these developments, nonprofits must continue to evolve their conception of, and encourage, approaches to leadership that meet the needs of our rapidly changing sector. In re-imagining leadership, the sector must also ensure that our proposed new models are not rooted in the same systems of oppression that our organizations intend to address, disrupt, and dismantle.

What ONN has learned so far

In 2017, ONN released <u>Leading our Future: Leadership Competencies for Ontario's Nonprofit Sector</u> as a follow-up to earlier work that highlighted the need to close the sector's "leadership gap" and to rethink current leadership models. The report:

- Anticipated shifts in the nonprofit environment such as changing demographics, increased resource constraints, the evolving nature of work, and massive technological developments.
- Identified key "competencies"—knowledge, skills, capabilities, and attributes—that nonprofit leaders would need to respond to such pressures and opportunities in the next two decades.
- Highlighted seven possible emerging leadership roles that exemplify these competencies: builder, thinker, mentor, storyteller, innovator, connector, and steward.

Fast forward to 2024, ONN brought together nonprofit leaders to help identify concerns and problems related to leadership in the nonprofit sector and co-create potential solutions as part of a Leadership Sandbox. The <u>leadership sandbox report</u> shares:

- The leadership problem in the nonprofit sector is complex; as are the solutions. Senior leaders are expected to hold too many competing and unrealistic expectations at once while being an expert in everything, without appropriate resources, support or commensurate compensation packages. The leadership problem is even more compounded amongst small and rural organizations with limited budgets and equity-deserving leaders from B3, I4, and 2SLGBTQIA+focused, -serving, -led organizations and communities.
- That creating bold, thriving, sustainable nonprofit leadership requires disruption.
 The sector must continue to reimagine the many leadership qualities our organizations, sector, and communities require and demand in a rapidly shifting world.

These two pieces of work can help inform our reimagining of leadership in this moment.

Both the leadership competencies outlined in ONN's 2017 report and the leadership sandbox honed in on a holistic perspective on leadership. speaking to the roles that a nonprofit leader may embody within their organization and also when engaging with the sector and community at large.

Deepening this sense of interdependence between leaders and their surroundings is crucial to support both in flourishing.



To understand the interdependence between leaders and their surroundings, the "oppression tree," a metaphor that the Centre for Community Organizations uses in anti-oppression training with community organizations, is helpful. In this metaphor:

- The roots are the systems of oppression. For example, colonialism or white supremacy.
- The trunk of the tree are the ideologies and institutions that uphold oppression. For example, the idea that racialized people need to be saved, or the institution of policing.
- The leaves and the branches are the outcomes and impacts of oppression. For example, racist and homophobic slurs or prioritizing cars over people in city planning.

What are the systems, structures, beliefs, and barriers that limit nonprofit leadership? What's holding us back? Using the "Oppression Tree" as a tool, let's visualize the current mainstream nonprofit leadership model in Ontario, and why it's failing us:



Roots: Capitalism, neoliberalism, settler-colonialism, white supremacy



Trunk: Urgency culture, charity model, scarcity mindset, oppressive power hierarchies, undervaluing of nonprofit work, lack of investment in the sector



Leaves:

- One leader is responsible for all decision-making
- Leaders aren't permitted to make mistakes
- Leaders must play it safe
- Leaders are selected based on professional credentials over lived experiences
- Leaders work in silos
- Leaders are pressured to prioritize external funders' asks
- Lack of mechanisms in place for leadership accountability
- Lack of diversity among sector leaders
- Leaders have little access to support and sense of community
- Leaders have limited capacity to focus on value-aligned work
- BIPOC leaders experience the "glass cliff" phenomenon

Once the realities of the current roots, trunk, and leaves are acknowledged there is an opportunity to plant a new "tree" of leadership focused on creating enabling conditions for success. From the activity at the Leadership Sandbox, that tree reflects what better supported and empowered leadership could look like.



Leaves:

- Leaders build strong, adaptive, and diverse organizations
- o Leaders build and foster empathetic, people-centered relationships with teams, funders, community, and peers
- Leaders anticipate change, create strategy, and support learning
- Leaders support staff growth, demonstrate empathy, and model resilience
- Leaders are supported in their own growth and development
- Leaders communicate the mission and vision
- Leaders encourage experimentation and risk-taking
- Leaders embrace change and adapt to dynamic environments
- Leaders share decision-making power
- Leaders strengthen capacity through technology
- Leaders demonstrate accountability
- Leaders are committed to social justice and systemic change
- o Leaders guide organizational work toward the future, imagining and creating radical new possibilities



Now, consider the **trunk** of the "leadership tree." Some of the enabling ideologies, beliefs, and foundations we need in place are: <u>decent work</u>, prioritizing worker wellness, <u>making space for rest and slowness</u>, <u>sustainable funding</u>, <u>and collective/shared governance models</u>.



Finally, to the **roots:** ONN is hearing calls from across the sector that a shift towards leadership models that prioritize relationship, collaboration, and slowness is needed. This shift would counter the current structures of capitalism, neoliberalism, settler-colonialism, and white supremacy.

Given these conditions and calls to action, it's imperative to reimagine nonprofit leadership competencies and qualities; it is not enough to plant new roots for just a single tree of leadership.

Collectively the sector must instead shift toward stewarding leadership "forests."

A single tree planted in isolation may survive, but it will not thrive in the way that a tree planted in a forest—within a community of its peers—does. Within the ecosystem of a forest, trees form cooperative relationships with one another to support each other's survival and growth.

If we were to take our cues from the dynamics of the forest, the sector might begin to cultivate and steward ecologies of shared leadership and responsibility that allow leaders to build and foster community, nurture one other, and distribute resources and power equitably amongst a network.



Moving away from the "single leader framework"

ONN has heard from the sector how important it is to shift away from leadership models that concentrate all organizational power and competencies at the top—often through the "single leader" framework—towards collaborative frameworks of co-leadership, collective power, and shared decision-making processes. Often, the traditional singular leader model:

- Idealizes a single leader as the expert, the visionary, and the sole decision-maker at the <u>"top" of a hierarchy, and is rooted in neoliberal notions of individualism and settler-</u> colonial frameworks of "power over" or domination.
- Stratifies and perpetuates inequitable and oppressive power dynamics within
 organizational teams, concentrating the majority of the power at the top. Within these
 top-down structures it is often Black, Indigenous, and/or racialized people, women, and
 queer and trans workers that are often <u>"expected to work harder and faster than white
 colleagues with less formal recognition, compensation, and support."</u>
- Creates impossible expectations for a single person, and leaves little to no room for leaders to take risks and learn from mistakes. When our organizations are structured in this way, leaders—particularly equity-deserving leaders—are set up to fail. Without access to resources, peer support, and a sense of community, the <u>"glass cliff"</u> phenomenon quickly becomes a reality for many equity-deserving leaders in this position.

The call to move away from the "one-leader" model does not imply that an organization cannot thrive while maintaining a single leader position such as an executive director. Leadership positions like these can and will continue to exist within the sector, and they are not inherently "bad."

What a move away from the "one-leader" model does call for is a meaningful redistribution of decision-making power and responsibility across an organization. While there may be only one executive director within an organization, that team member is not working in isolation with all of the organizational power concentrated at the top. Instead, there are leadership opportunities built into structures that reallocate power and responsibility across teams.

"There is also a need to create non-hierarchical structures, e.g., horizontal or circle ways of working. Building these structures is a crucial part of decolonizing the nonprofit sector, but it also creates a more sustainable organization that is not dependent on one person to uphold and sustain the work. Decolonized nonprofit structures should embrace the notion of collective wisdom and collective responsibility." (Righting Relations, p.44)

What alternative models might look like on the ground can vary. From an organizational structure standpoint, this might include co-directorships, collaborative leadership teams across programs, meaningful board engagement, and stakeholder advisory committees. Through a process lens, a shift toward collectivity could mean participatory budgeting processes or the democratization of information within organizations.

This reallocation of decision-making power must be done in ethical and equitable ways that tangibly acknowledge and validate the labour of leaders across organizations at all levels. A meaningful shift toward co-leadership and shared decision-making must not simply download the work of a highly-paid executive leader to lower-paid, often Black, Indigenous and/or racialized workers or volunteers, but must consider how leaders across structures involved in co-leadership processes will be recognized and compensated.

"Part of the work of establishing an effective co-leadership model is to unravel the complexity of integrating multifaceted identities into a cohesive leadership framework...that moves beyond traditional hierarchies to better reflect societal diversity. As leaders of varied ages, generational influences, gender identities, socioeconomic backgrounds, and cultural heritages...we grapple with honoring our authentic selves while conforming to a collective framework that effectively serves all." (Marshall, Nonprofit Quarterly)

Moving away from static leadership competencies

A healthy, vibrant forest of nonprofit leaders must recognize there is no one way of being a leader, and many of the qualities of a successful leader cannot be quantified or easily measured. Nonprofit leaders will bring their unique collection of strengths and qualities to their roles, and each unique leader is an integral tree in the forest. When investigating the 2017 leadership roles, key reflections emerge:

- No one leader can exemplify multiple leadership roles and the roles actually are intersectional and overlap.
- Roles must evolve with what is required from nonprofit leaders in tomorrow's context.
- A grounding in equity, reflection, and self-awareness is missing.

What's missing

Grounding in equity

• As noted in <u>Decent Work Pathways</u>, challenging dominant culture is essential to build a more just and inclusive sector. Leaders must engage in critical reflection and take meaningful action on the root causes of the issues nonprofits work to tackle. They must be committed to social justice and advocate for change beyond their organization, and must deepen their awareness of how the nonprofit sector itself upholds and perpetuates the status quo.

Reflection and self-awareness

 Leaders cannot limit learning and reflection to their professional lives. To meaningfully nurture these competencies, leaders must also invest in their own personal growth and healing. Leaders who embody awareness of their own participation in power dynamics or societal inequities are better equipped to lead, especially as the workforce diversifies. These qualities encourage leaders to engage their team more robustly and intentionally, moving away from the singular leader model.

What must be deepened

Connector competency with an emphasis on relationship building

- Leaders must build relationships through a people-centered and trust-centric approach. This includes reimagining success factors beyond efficiency and performance, such as transparency, courage, humility, and compassion.
- Relationship-building must extend to sharing power and resources, viewing nonprofit workers as active participants in leadership and decision-making. These relationships can support leaders to transform how organizations interact with funders, foster community and teamwork in virtual-first environments, and navigate conflict or uncertainty within teams.

Innovator competency with flexibility and adaptability

• In the face of crises or in the midst of problem-solving, nonprofit leaders must be willing to listen and learn, take risks, and make mistakes. This includes admitting to not knowing all the answers, being open to experimenting with new approaches or tactics, and listening to a wide range and depth of input from others.

Thinker competency with foresight and imagination

- Leaders must think critically about the past, present, and future to develop strategies that build toward a more just, sustainable, and equitable tomorrow. This includes multi-generational approaches to planning and structuring organizations.
- In addition to anticipating changes and analyzing the nonprofit ecosystem for themes and connections, leaders need to think outside the box. Using the same strategies to solve complex issues is not working (e.g. focus on surface-level diversity and representation, working on issues in silos). Incorporating things like creative exercises and rest breaks can spark inspiration or unconventional ideas.

Mentor competency with a learning mindset

• Nonprofit leaders must pursue, and advocate for, opportunities to grow and learn. Learning and growth needs to be baked into workflows. This may include team learning sessions, encouraging funders to resource learning opportunities, and engaging in continuous reflection and thinking periods throughout the year.

Enriching the soil



Leaders require support and systems that set them up to develop, build, and practice the competencies and qualities they need to succeed. In other words, the soil must be healthy in order for the forest of nonprofit leaders to thrive.

Slowing down

Because of external constraints that frame our understanding of the sector and the work, leaders are often pressured to push for productivity and make hurried decisions, and they have little access to resources or support during these decisionmaking processes. As <u>Lydia Phillip writes</u>, this is often to the detriment of the work, as these "exclusionary and rushed decisions can actually take more time in the long run as unseen issues or intrapersonal challenges may arise."

In response, many have called for an intentional shift toward slowing down. Returning to the "forest of leadership", it is crucial to remind ourselves that trees do not grow overnight. Forests are complex ecosystems—they require time, resources, and support in order to flourish. We must consider the work of our sector in the same way.

Within this context, moving away from urgency culture across the sector is a key step in setting nonprofit leaders up for success. Embedding rest and slowness in organizational policies, structures, and practices gives leaders the freedom to meaningfully dedicate time to connecting with their teams and communities, developing networks of peer support across the sector, and engaging in shared decision-making processes.

Enriching the soil

Broadening notions of experience

To set up future leaders for success, nonprofits must clearly define what leadership entails for their organizations and then align expectations with the available talent pool. It's crucial for hiring entities to fully understand and communicate the complexities of nonprofit leadership. Are they hiring for someone who is more of an operational manager, a fundraiser, a community builder, or a policy advocate? Clear role descriptions will help candidates better assess their fit and prepare for the expectations.

Nonprofits should be open to nontraditional candidates—those who may have gained leadership experience in other sectors or through volunteer work, for example. By broadening the scope of what constitutes "leadership experience," nonprofits can tap into a wider talent pool. This could mean giving more weight to candidates who demonstrate a willingness to learn, the desire to prioritize consensus-building, and the ability to lead through influence rather than authority.

Creating a sustainable ecosystem for nonprofit leadership means thinking long-term and fostering a culture that prioritizes growth and development for everyone, not just for those who reach the top. Nonprofit organizations need to foster a culture of growth, accountability, and continuous learning. When leaders model these behaviors, they create an environment where emerging leaders feel encouraged to grow and take on leadership responsibilities over time.

Uprooting what does not serve us

To create the "forest of leadership," the nonprofit sector must work to dig and uproot the oppressive systems and structures that currently shape the sector. This system of roots is deeply embedded in the soil nonprofit work is grounded in, and has to be dismantled and pulled up piece by piece. As we root out these rotting systems, we can begin to plant the seeds and lay the groundwork for a new system of roots—one that re-orients power as liberatory instead of oppressive.

Enriching the soil

In considering this system of roots, we begin to understand how an organization's work is deeply intertwined with the work of other organizations across the sector how our missions are inherently interconnected. What this also means is that the health of our organizational "trees" is reliant on the health of the "forest" of the broader sector.

It is clear from what ONN has learned so far, that organizations and their teams must develop supportive networks across the sector for advocacy and systems-change, lifting each other up as we strive to build new structures. Leaders of nonprofit organizations must learn how to critically think about the sector itself – to recognize how the nonprofit sector can and often does perpetuate the same harmful and oppressive systems that our organizations seek to address.

"The sector in itself exists as a response to the unattended and invisible inequity and discrimination that exist in our society, and in responding to these needs, we can contribute to oppression, become gatekeepers, and/or cause harm. However, there is also potential for nonprofits to challenge themselves to become spaces of transformation and agents that work towards disrupting systems of oppression whilst also supporting communities." (Righting Relations, p.47)

Leaders must be prepared to grapple with the broader systems and structures in which our work is embedded. Engaging meaningfully in this critical self-reflective work as a leader, and more broadly, as an organization, can serve to support leaders and teams across organizations in reconnecting to grounding values. It can also help organizations in terms of guiding work that is meaningfully connected to social change and the public benefit.

Planning for regeneration and renewal

Forests engage in continuous change processes that support its biodiversity and respect the differing life cycles across the ecosystems.

Likewise, planning for leadership changes or transitions is not a one-time checklist, but an ongoing responsibility of nonprofit teams.



Leadership transition planning is an iterative process that should be continually engaged in -a process that goes hand-in-hand with organizational strategic planning. Creating "living" leadership transition plans can allow teams to shape leadership changes into processes that meaningfully reflect values, goals, and culture as organizations evolve.

Leadership transition planning can be leveraged as a tool for transforming organizations. For example, if an organization wants to move toward a shareddecision making model, how can it use the leadership transition plan to support that process? If an organization wants to see more leaders with lived experience in their organization, how can they embed that in the plan?

Many leadership transition plans are rooted in the "one-leader" framework, planning exclusively for the departure of a single executive director. This is not effective, as healthy organizational structures should have leadership responsibilities embedded throughout the organization across positions. What this means is that leadership transition planning should also consider the wide range of leaders within organizations, and how all of these positions are connected to one another. Leadership transition planning should be relational, values-driven, and supportive.

Conclusion

Nonprofit leadership must undergo a fundamental shift to address the systemic issues that have constrained the sector's potential for equitable and transformative impact. The traditional, top-down leadership model, rooted in neoliberal and colonial structures. entrenches and perpetuates inequities. These models are not conducive to fostering the adaptive, people-centered, and innovative approaches needed to tackle today's complex social challenges. Therefore, reimagining leadership requires more than individual efforts—it calls for a collective and systemic approach that prioritizes collaboration, shared decisionmaking, and relational accountability.

The metaphor of planting a leadership forest emphasizes the importance of cultivating an ecosystem in which leaders can support each other, share power, and grow together. Just as trees in a forest form cooperative networks for mutual survival, nonprofit leaders must work within collaborative frameworks that distribute responsibility and decision-making authority across organizations. This collective model fosters resilience, enables adaptability, and creates space for the kind of radical experimentation and risk-taking that drives meaningful social change. By embracing models of co-leadership, collective governance, and participatory decision-making, organizations can unlock the full potential of their teams and more effectively align with their missions.

Ultimately, organizations must invest in the growth and development of their leaders, particularly those from equity-deserving backgrounds. By providing the time, resources, and mentorship necessary to develop leadership competencies, the sector can dismantle urgency culture and foster environments where leaders thrive.

Leadership transition planning, grounded in this same respect for relationships, values, and support, can become a powerful tool for transforming organizations from within.

By making these shifts, nonprofit leadership will not only reflect the values the sector aspires to, but also build a more equitable and sustainable future for the communities it serves.

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