

ENGINE *of* IMPACT

*Essentials of
Strategic Leadership
in the Nonprofit Sector*

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DISCUSSION GUIDE



A Discussion Guide to *Engine of Impact*

This guide is designed to facilitate a discussion among you and your colleagues about a particular nonprofit organization. Discussion participants might include executives, staff members, board members, and donors, among other stakeholders in that organization. The questions below draw from insights and examples presented in *Engine of Impact: Essentials of Strategic Leadership in the Nonprofit Sector*, by William F. Meehan III and Kim Starkey Jonker. As you and your colleagues wrestle with these questions, and with lessons from the book, you will likely identify opportunities for your organization to achieve greater impact in the future.

INTRODUCTION

- 1 Meehan and Jonker write that we will soon see the greatest inter-generational transfer of wealth in American history, at a moment when the challenges to U.S. civil society have never been more striking. How well prepared is your organization to “earn the right” to expand its role and maximize its impact in what Meehan and Jonker call the Impact Era?
- 2 Many nonprofits are stuck in a “starvation cycle”—a situation in which funders chronically give an organization less support than it needs because they don’t trust it to spend and invest money wisely. Does this situation apply to your organization? If so, how do you plan to escape the nonprofit starvation cycle? (See p. 15.)
- 3 According to Meehan and Jonker, an effective nonprofit functions as an “engine of impact,” and this engine has seven essential components: mission, strategy, impact evaluation, insight and courage, organization and talent, funding, and board governance. (See p. 19.) In your organization, which of these components are strong, and which of them require tuning?

CHAPTER 1 | MISSION

4 *Engine of Impact* posits that “everything starts with mission,” but many nonprofits do not have a mission that is both clear and focused. Take some time to evaluate your mission statement dispassionately, and consider how well people in your organization understand and apply the mission. Does the statement possess the seven qualities that Meehan and Jonker associate with a well-conceived mission statement? (See pp. 29–30.)

5 Meehan and Jonker argue that mission creep is a leading virus in the nonprofit sector. Has your organization ever succumbed to mission creep? If so, what caused that development, and how can you prevent it from happening again?

6 Would you characterize your organization's activities as “focused” or “diversified”? Meehan and Jonker assert that focus beats diversification. Do you agree? If so, can you identify ways to bring greater focus to your organization's activities?

7 Meehan and Jonker suggest that leaders must be willing to turn down even very large funding opportunities in order to protect their organizations from mission creep. Would the leaders of your organization be able and willing to make such a decision?

8 Meehan and Jonker offer a simple way to measure the extent to which a nonprofit lives by its mission: Ask staff members and other stakeholders whether the organization truly adheres to that mission. How do you think people at all levels of your organization would respond to that question?



CHAPTER 2 | STRATEGY

9 A nonprofit's strategy is a planned set of actions designed to achieve its mission. Meehan and Jonker argue that nonprofits can benefit from adopting concepts from business strategy such as the six-forces model, core competencies, and strategic planning. Consider each concept in turn and how applying it to your organization might be beneficial.

10 Another important strategic concept is theory of change. A theory of change is a logical description of how an organization's programs or interventions will enable it to achieve its mission. What is your organization's theory of change, and how does well does it align with your mission? What opportunities do you see to refine that theory of change or to improve its usefulness to your organization?

11 An organization must build strategy on the basis of its core competencies—on a distinctive set of skills or attributes. Does your organization have the core competencies required to achieve its mission?

12 Discuss your organization's strategic planning process. Does it build the organization's overall capacity for strategic thinking? Does it enable you and your colleagues to engage key internal and external stakeholders?



CHAPTER 3 | IMPACT EVALUATION

- 13 Review the opening section of Chapter 3. When you consider the role of impact evaluation in the nonprofit sector, do you see it as “art” or as “excrement” (to quote Robin Williams in *Dead Poets’ Society*) or as something else?
- 14 Does your organization have a rigorous impact evaluation process that demonstrates the linkage between your intervention and your desired impact?
- 15 Bill Gates wrote, “You can achieve incredible progress if you set a clear goal and find a measure that will drive progress toward that goal.” How does your organization measure progress toward its goal?
- 16 Meehan and Jonker argue that a dearth of reliable impact data is one of the biggest challenges facing the nonprofit sector. Do you agree? Does your organization suffer from this problem, and, if so, what can you do about it?
- 17 Meehan and Jonker describe a hypothetical debate between “poets,” who regard instinct and experience as superior to measurement, and “analytics,” who believe that quantitative measurement is always desirable and always feasible. Where do the board and executives of your organization fall in this debate, and how do those views affect the organization’s approach to impact evaluation?

- 18 At Helen Keller International, leaders periodically ask themselves this question: “Are we doing the right thing, for the right people, in the right place, at the right time, and in the right way?” How would you answer this question with respect to your organization?

CHAPTER 4 | INSIGHT AND COURAGE

- 19 What was the insight that led to the design of your intervention(s) or the establishment of your organization? Did that insight result from inspiration—or from perspiration? Does the insight hold true to this day?
- 20 Meehan and Jonker describe the “critical insights” experienced by founders like Bill Drayton (Ashoka), Roy Prosterman (Landesa), Vicky Colbert (Escuela Nueva), and Duncan Campbell (Friends of the Children). Have you experienced such insights in the course of your career, or have you benefited from significant insights shared by others?
- 21 “Courage, like insight, is an indispensable aspect of nonprofit strategic leadership,” Meehan and Jonker write. Discuss instances in which people in your organization have shown courage in overcoming problems, in confronting a crisis, or in simply carrying out their day-to-day work.

22 The team-of-teams organizational model championed by Bill Drayton of Ashoka emphasizes decentralized autonomy, meritocracy, and a sense of partnership. (See pp. 121–127.) To what extent does your organization follow this model, either by adopting it organization-wide (as Ashoka has done) or by adopting elements of it to implement a specific project (as Pratham has done with its Annual Status of Education Report)? Do you see any opportunities for your organization to leverage this model so that it can better fulfill its mission?

23 Discuss the six enduring principles of high-performing nonprofits organizations that Meehan and Jonker describe in *Engine of Impact*. (See pp. 128–143.) How well does your organization follow these principles, and how can it strengthen its adherence to each principle?

24 Jim Collins, the renowned author of *Good to Great*, emphasizes the vital importance of the “think first about ‘who’ and then about what” principle. Does your organization follow that principle, and does it have the right people in the right positions?

25 Meehan and Jonker argue that all organizations must manage their talent processes tightly—but relatively few of them actually do so. How tightly focused are these processes in your organization, and do those processes enable you to attract and retain the right people?

26 Succession planning is an area in which many nonprofits fall short. Does your organization have a viable succession plan for its executive director or CEO and for other top executives? If not, how can the organization start to create such a plan?

27 It has been said that good judgment comes from experience—and that experience comes from bad judgment. Discuss this observation in relation to your organization.

28 Nonprofit leaders, Meehan and Jonker write, often spend more time on money matters than their counterparts at for-profit businesses. Does this observation describe your organization? If so, how does it affect your ability to achieve impact?

29 Many nonprofits adopt revenue models that do not enable them to fulfill their mission. What is your organization's revenue model, and does that model enable the organization to fulfill its mission and maximize its impact?

30 A cardinal rule of fundraising is to start with your board. How might you increase giving among members of your board, and how might you improve their participation in fundraising activities?

31 Individual giving is an essential feature of the philanthropic landscape, yet many nonprofits fail to appreciate its importance. Does your nonprofit do all that it could to raise funds through individual giving?

31 Meehan and Jonker recommend that all nonprofits learn from organizations that excel at raising major gifts—in particular from “Partners in Plutophilanthropy”, or PIPs (colleges and universities, medical centers, high-end performing arts organizations, and museums). What steps could your organization take to learn from PIPs and to build its major gifts function?

33 Meehan and Jonker explain that the best fundraisers meet donors on their terms and enable them to give in a manner that makes them comfortable. Break into pairs, and role-play a scenario in which one of you acts as a nonprofit leader who asks the other person—a prospective donor—for a contribution. Next, switch sides and repeat the scenario. Then consider how, in each case, your pitch was or was not successful and how you could improve it.

CHAPTER 7 | BOARD GOVERNANCE

- 34 Meehan and Jonker write that many nonprofit boards are ineffective. What grade would you give your board, from A to F, and why? How can your board increase its effectiveness?
- 35 Meehan and Jonker present six principles of nonprofit governance. (See pp. 169–185.) Review these principles, and consider how they apply to your board.
- 36 How productive are your board meetings? As board members leave a meeting, are they more likely to say, “That was a waste of my time,” or to say, “That was a really productive meeting”?

CHAPTER 8 | SCALING

- 37 Readiness to scale is often the elephant in the room when social entrepreneurs and nonprofit leaders discuss their plans to increase the impact of their organization. Review the readiness-to-scale matrix in Chapter 8 (pp. 188–195), and then take the *Engine of Impact* Diagnostic (engineofimpact.org/

diagnostic) to assess whether your organization is ready to scale its impact.

- 38 Even for organizations that are ready to scale, the work of scaling for impact can be complex and challenging. Review the “how to scale” advice provided in *Engine of Impact* (pp. 195–207), and consider how each point might apply to your own organization.
- 39 Meehan and Jonker suggest that the next frontier in scaling is service delivery through technology, but they argue that the nonprofit sector has done less to leverage technology than other sectors of the U.S. economy. Do you agree with that assessment? What has your organization done to leverage technology, and what more could it do in that regard?

CONCLUSION

- 40 Most social sector organizations struggle with at least one essential component of strategic leadership. Which component does your organization struggle with most? How can you overcome that challenge?

