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Non-profit Managers and Cross-sectorial Experience: Interviews with Canadian Red Cross Society Managers

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Non-profit Managers and Cross-sectorial Experience: Interviews with Canadian Red Cross Society Managers

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ABSTRACT

Supervisor: Dr. Sydney Minuk

The non-profit sector shapes our society as well as being shaped by it. The values and competencies of this sector impact its credibility within society, and its ability to influence public policy and the public good. An understanding of the profile of Canadian non-profit sector managers is an important element in defining the learning needs of this group. This research project was designed to explore the management development profiles of mid-to-senior level managers of one non-profit organization, The Canadian Red Cross Society.

Twelve managers from Red Cross were surveyed using structured telephone interviews. These interviews explored their experiences in and reasons for crossing sectorial boundaries when hiring new managers; their perceptions of the similarities and differences between managers of the private, public and non-profit sectors; their opinions on how best to acquire the skills they deemed necessary for the future of their organization; and their own sectorial management development profiles.

As a group, the respondents had significant management experience from each of the three sectors of society prior to joining Red Cross. Half the managers indicated that joining Red Cross was a second career as they had reached senior management levels in either the public or private sectors. Respondents tended to hire manager candidates who also possessed cross-sectorial experience. Most influential to their hiring decision was demonstrated management competency and

diversity of the candidates' individual management experiences. Hiring internal candidates was balanced with hiring for cross-sectorial diversity.

The respondents associated terms such as 'bottom line' and 'profit oriented' with private sector managers; terms such as 'bureaucracy' and 'public good' with public sector managers; and terms such as 'doing more with less' and 'values driven' with non-profit sector managers. The respondents felt that the skills needed for future organizational success were linked to 'best business practices', 'leadership' and being 'values driven'. They felt that these skills could best be acquired through 'reflexive experience', 'training', 'mentoring' and tying 'theory to practice'. The mission and principles of the organization were said to guide the means through which Red Cross could achieve its ends.

This study reflected a significant level of sectorial cross-over into Red Cross. Differences in perceptions about managers from each of the three sectors were found. Consensus was observed among respondents regarding managerial skills needed for future organizational success, and how these skills could best be acquired.

There has been a lack of research data pertaining to non-profit sector managers, particularly quantitative data. The findings of this study suggested the need for further research regarding the internal management development programs of non-profit organizations.

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THE PROBLEM

Introduction to the Study

This research project explored the sectorial management development

profiles of Canadian managers in the non-profit sector. Management studies were

designed to support the practice of the new business group during the industrial

revolution, and much of its focus on efficiencies come from that period of

reductionism. However, management has grown substantially. Standardized

management practices are advocated in all areas of society, management theory is

taught in most universities, and management consulting is now a booming

industry.

There exists within management studies a debate concerning similarities

and differences between the public and private sectors (Roll, 1982; Murray,

1975). This debate is not purely academic. The related research serves to inform

and guide those who assist managers in their learning and development, including

professors, consultants, managers and peers. Commonly absent from this debate

is the manager in the non-profit sector (Nonprofit World, 1997b); the third sector,

which provides support to steady those most vulnerable in our society. How are

non-profit sector managers similar or different from the other two? Are these

managers developing their managerial skills within the non-profit sector or are

they bringing public and private sector experience into their roles? Are their

academic backgrounds significantly different from managers from the other

sectors? How can these managers be assisted to develop themselves as they face

the challenge of providing increased levels of service? Before these managers can

be assisted in their learning strategies, they need to be better understood in terms

of the theoretical training and managerial experience they hold, their felt and

unfelt needs, and the skills and learning methods which *they* think are important

for optimal performance in the non-profit sector.

This research project asked non-profit managers to name the sector from

which they acquired their management skills, and the sectors from which they

were currently hiring new managers into their organization.

Background

The contrast in philosophy and resources among the private, public, and

the non-profit sector environments must be considered when attempting to

transfer skills from one sector to either of the other two.

According to Rifkin (1995), the non-profit sector is not only different from

the public and private sectors, but is also increasingly relevant to our society.

Rifkin predicts the following:

> In the coming century, the market and public sectors are going to play an
> ever-reduced role in the day-to-day lives of human beings around the
> world. The power vacuum will likely be taken up either by the growth of
> an increasingly outlaw subculture or by greater participation in the third
> sector. (p. 249)

If Rifkin is right, it is imperative that the non-profit sector be prepared to

meet this challenge. Rifkin predicts a changing profile and role for non-profit

managers, but there is very little baseline data against which to measure this trend.

What is the current level of private and public sector experience in the non-profit management group?   How do managers in the non-profit sector perceive managers from other sectors? Which management skills do they believe will be important in the future?   By deepening our understanding of the answers to these questions, we can better assist third sector managers with their future learning needs. Indeed, the strengths and skills may impact our own future well-being.

Despite the proclamations that the third sector or non-profit sector will be the key to our social transformation during this time of globalization and technological advancement, this sector is often ignored by political scientists and management researchers (Nonprofit World, 1997b; Coolsen and Wintz, 1998).

Though many non-profit organizations deal with the difficulties associated with funding cuts and changing community needs, Red Cross has been under a unique and considerable strain. These challenges, related to the Krever Inquiry which investigated tainted blood in Canada, have been reported in the media. Red Cross Blood Services have been turned over to the newly formed Canadian Blood Services. The loss of this high profile program coincides with internal restructuring and a redefinition of the Red Cross role within Canada.

My personal experience as a Red Cross volunteer and former Red Cross staff person have offered me an insight into the role of Red Cross at the community level. As a community development worker coordinating initiatives involving all three sectors of society, my understanding of the perceptions of sectorial differences, and the levels of crossover between sectors, can assist me in my role in building strong partnerships between the sectors.

Purpose of the Study

The purpose of this study was to explore the sectorial context of the management development profile of mid-to-senior level managers in The Canadian Red Cross Society (CRCS). This exploration was expected to provide insight into current sectorial crossover trends by documenting the sectorial context of middle and senior Red Cross managers skills development, their perceptions regarding managers of the various sectors of society, their experiences hiring from other sectors, and the skills and learning they felt were relevant to the future success of the Red Cross. The profile of these managers was compared with managers of the private and public sectors of society, as documented in the literature. The degree of manager crossover from the public and private sectors into The Canadian Red Cross Society was documented.

Research Questions

This research study attempted to answer the following:

1. In what sectors have Red Cross managers learned their skills?

2. What are the current cross-sector hiring practices and reasons for those practices?

3. What are the perceptions of Red Cross managers about managers from each of the three sectors?

4. What skills do Red Cross managers believe are most important for future organizational success, and how do they believe these skills are best acquired?

Importance of the Study

The non-profit sector shapes our society as well as being shaped by it. The values and competencies of this sector impact its credibility within society, and its ability to influence public policy and the public good. An understanding of the profile of Canadian non-profit sector managers is an important element in defining the learning needs of this group. This information can be used to strengthen organizations within the non-profit sector in the future, particularly The Canadian Red Cross Society which has played a vital role in building capacities among the most vulnerable in society. It can also offer alternative perspectives which might benefit managers in the public and private sectors.

Definition of Terms

Non-profit sector: The non-profit sector is comprised of organizations which are independently operated and working toward a public good without aim of profit. Non-profit sector organizations are differentiated from public sector organizations by their independence, and are differentiated from private sector organizations by their lack of profit motive. The non-profit sector, or parts of it, may also be referred to as the 'third sector', the 'social sector', non-government organization (NGO), the 'charitable sector', or the 'volunteer sector'.

For the purpose of this research our formal health care and education systems are considered government organizations. Hospitals and universities are granted non-profit status under Revenue Canada rules, but these quasi-public institutions are regulated and directed by government.

Scope and Limitations of the Study

This study was limited to the hiring practices of mid-to-senior level managers over a one year period in one non-profit organization, The Canadian Red Cross Society.

Outline of the Remainder of the Study

A review of the literature in the areas of non-profit sector organizations, management learning, and the current level of crossover of managers between the sectors will be presented in Chapter 2. The Canadian Red Cross Society's history, purpose and staff profile will be presented. Chapter 3 will outline the methodology of the research. A qualitative content analysis of the interview data will be presented in Chapter 4 based on the major themes which are observed. These findings will be discussed within a framework of the current writings about the non-profit sector. Chapter 5 will present conclusions and recommendations for future research consideration.

CHAPTER 2

REVIEW OF THE LITERATURE

This section will review information about the non-profit sector,

management learning, and management crossover between the sectors. A specific

review of Canadian managers is considered using the <u>Survey of Labour and</u>

<u>Income Dynamics</u> (Statistics Canada, 1998) to assess the levels of education, job

change and sector crossover in the Canadian workplace. Finally, a general

overview of The Canadian Red Cross Society will describe the history, programs,

and the current organizational staff profile.

Non-profit Sector

This section will outline the profile of the Canadian non-profit sector, the

meaning of the non-profit sector, and predictions for the future role of this sector

within society.

Profile of Canadian Non-profit Sector

The number of non-profit organizations registered with Revenue Canada

has more than tripled from 22,556 in 1967 to 74,017 in 1996 (Nonprofit's Share

of Economy, 1997). Approximately $86 billion, or 12.5% of the Canadian gross

domestic product, pass through Canadian registered charities annually (Scott,

1994).

In Canada there are over 4.5 million volunteers, and over three times as many people volunteer their services to non-profits than are employed by them. Sixty-five percent of Canadian volunteers devote their time to non-profit organizations designated as "other" by Revenue Canada. These 'other' organizations are independent charities focusing on community benefits which often evolve out of a concern for others (McClintock, 1994). The Canadian Red Cross is one of these charities.

Non-profit sector work is often associated with emotional labor providing support, nurturing and caring. This type of work is typically omitted from job analysis and receives low levels of remuneration (Hochschild, 1983; Pringle, 1988). Oster (1998) found that ideology can also be a strong force keeping non-profit executive wages down, but that as non-profits incorporate more businesslike activities the compensation criteria more closely resembles that of the for-profit sector.

<u>Meaning of the Non-profit Sector</u>

In reviewing non-profits internationally, James (1989) tells us that non-profits tend to emerge where the quality of a product is hard to measure and consumers must trust the producers of that product. Trust is more likely to be placed where "managers do not have the same monetary incentive to downgrade quality that profit-making managers would have" (James, 1989, p. 4). With a market analysis perspective, James views non-profits as competitors to business and government rather than as a complement to either. She notes the "curious

empirical fact ... that major founders of non-profit organizations are organized religions or other ideological groups rather than individual entrepreneurs" (James, 1989, p.5). When a society is more homogeneous in ideology, there is greater consensus for public delivery of social goods. James proposes that this is partly due to the competition in heterogeneous societies between various religious groups to offer non-profit services as a way to recruit new members.

Business writers such as Drucker (1990a, 1990b, 1994) and Mintzberg (1996) have been strong advocates of the importance of the non-profit sector to a balanced economy and the health of our society. Mintzberg explains that western society is caught up in the ideology of capitalism because it has been convinced that capitalism won the cold war, proof of its superiority over socialism. Mintzberg (1996) tells us that this notion is both wrong and dangerous since the true winner of the cold war was the mixed and balanced economy.

Saul (1995) and Galbraith (1997) state that we need to offset the short term focus of capitalism with the process of democracy. They warn us that our current overvaluing of business practices lead us to corporatism, and ultimately undermine the power of citizens to guide the public good. Van Til (1988) explains that despite the public sector's bad reputation for being process oriented and bureaucratic, its ability to "resist destructive leadership sometimes may prove to be one of its most endearing qualities" (p. 174). Johnson (1983) claims that managers in public sector organizations have a responsibility greater than the efficiency and bottom line focus of the private sector. They are also accountable to serving the public good which sometimes supersedes financial considerations.

Research by Wilson and Butler (1986) suggests that the more dependent an

organization is on government funding, the more likely they are to engage in

cooperative strategies.

Non-profits are expert at identifying and responding to social need, rather

than market demand. In these times of pro-business zeitgest, non-profit

organizations are being encouraged to set up parallel foundations and

entrepreneurial projects and to use a businesslike approach to support the

charitable work of their organization (Dees, 1998; Emerson, 1997; McLeod,

1997). But Perlmutter and Adams (1990) caution that "dependence on

commercial ventures to generate revenues may entail a greater loss of

organizational autonomy than dependence on government grants which are

selected and shaped by the agency" (p. 11).

Handy (1994) tells us that the original meaning of the word "company"

was a group of companions and that this meaning still lingers only in the non-

profit sector. Handy explains:

> Just as these organizations are becoming more business-like, so we may
> see businesses looking to the nonprofit arena for new models. The
> nonprofit world understands all too well the combination of core funding
> and optional space, ... these organizations may, unexpectedly, hold the
> clues to the second curve of capitalism. (p. 154)

Future of the Non-profit Sector

Recent writings based on social and employment trends (Foot, 1996;

Rifkin, 1995) have predicted that the non-profit sector of society will expand as

government is reduced. Foot (1996), a Canadian demographics writer, suggests

that an increased crossover from the public and private sectors into the non-profit

sector will impact the manner in which non-profits operate. Foot offers this

perspective:

> These are complicated organizations to run, and they are likely to become
> even more complicated as governments back out of the delivery of
> services, leaving us all more dependent than ever on nonprofit
> organizations for many of these services. The result will be rapid growth
> in the nonprofit sector and tremendous pressure on these organizations to
> respond to society's new demands ... Fortunately, because of population
> aging, a new source of highly skilled professional managers is becoming
> available to guide these organizations through this difficult and
> challenging period. The front end of the baby boom is in its middle or late
> 40s. That's mid-life crisis time, when you ask what you are going to do
> with the rest of your life ... this is also when, after years in the corporate
> world, you rediscover the idealistic side of your personality ... many
> talented and able executives, stalled and bored in the corporate world, will
> be available to work for nonprofit organizations ... the new
> professionalism that these people will bring with them may require
> difficult adjustment for the old guard who have been running these
> organizations. (p. 126-7)

In the United States (US), Rifkin (1995) advocates increased

legitimization of the non-profit sector as it offers the most productive

opportunities for displaced workers. Rifkin says:

> Faced with the daunting prospect of absorbing growing numbers of
> workers cast off by the marketplace, and providing more and more basic
> social services and cultural amenities, the third sector will need significant
> infusions of both volunteer labor and operating funds ... up to now, the
> world has been so preoccupied with the workings of the market economy
> that the notion of focusing greater attention on the social economy has
> been little considered by the public or by those who make public policy.
> That is likely to change in the coming years as it becomes increasingly
> clear that a transformed third sector offers the only viable means for
> constructively channeling the surplus labor cast off by the global market.
> (p. 202)

Many Canadian authors have expressed concern that business ideologies are being over-valued and that this is both socially undesirable and economically unnecessary (Finlayson, 1996; Galbraith, 1997; McQuaig, 1995; Mintzberg, 1996). Mintzberg holds a vision of having three strong sectors to create balance between the competitive and cooperative natures of society. In the US, Kofman and Senge (1993) write that cooperation must balance competition at the organizational and community levels, and they caution against the overemphasis on short-term measurable results. The challenge for the non-profit organization is to operationalize this vision by building on its traditional strengths while adapting to a changing socio-political environment.

Coolsen and Wintz (1998) outline four steps to success in the future for non-profits. These steps, based on recommendations developed at a conference of 17 service organizations held in Wisconsin in 1997 are outlined as follows:

1. Lay a foundation through mission and vision;

2. Combine inspiring leadership with effective management;

3. Build understanding and collaboration;

4. Learn, grow and change.

This literature review section indicates that the non-profit sector is growing in Canada and that approximately 1/5 of Canadians support it with their time (McClintock, 1994). This sector is believed to have an important role to play in the future in terms of community services and employment opportunities (Foot, 1996; Rifkin, 1995). Whereas private sector skills are being advocated as future

tools for the non-profit sector (Dees, 1998; Emerson, 1997; McLeod, 1997), so too are non-profit sector skills used as models to improve performance in the private sector (Handy, 1994). The literature review will now look at how managers may enhance their learning.

Management Learning for Non-profits

This section will review different perspectives of management research, then management learning, followed by a focus on management learning within the non-profit sector.

Management Research

Management research attempts to describe those competencies which are generic to the best management practices for quality outcomes and distinguish those which are specific to the varying work contexts (Boyatzis, 1982; Salaman, 1995). Research may focus on what managers *do* (Hales, 1986; Kotter, 1982), or on how managers *think* about what they do (Mintzberg, 1989; Weick, 1983).

The dissemination of research serves to inform those who assist managers in their development: professors, consultants, managers and their peers. Management research offers models, conceptual schemes, and frameworks from which to assess management choices. The evaluation of management competencies are dependent on both the explicit and implicit assumptions of

management researchers as they consider both management 'means', or practices, and 'ends', or outcomes (Thomas, 1993).

Burgoyne (1989) advocates management portfolios which expand on competence and abilities by including personal style, values and missions. He explains that the 'meta-compentencies' for managers deal with learning, changing, adapting, forecasting and anticipating, and creating change. These "enable managers to create and adapt the specific competencies that underpin effective action" (Burgoyne, 1989, p. 59). Just as Burgoyne (1989) advocates the inclusion of ethics in the managerial portfolio, Mason (1992) states that the "ultimate ethical value for the nonprofit leader is to lead the organization effectively, to lead followers towards accomplishing their mission" (p. 30). The difficulty, as explained by Meidl, Ehrlich and Dukerich (1985), is that leader control of the factors impacting an organization's success is very limited. Organizations tend to attribute success and failure to leader abilities, hence leader succession is a popular response to challenging times. The impact of a change in leadership is dependent on the heterogeneity of the candidate pool from which new leaders are drawn recruited (Mentzer, 1993).

Foucault presents organization theory with a contradiction: "reality and our discourse about reality, are both ever more closely confining" (Burrell, 1988, p. 233). Or, for our purpose, the reality of the non-profit manager and formal discourse of the non-profit manager limit each other by introducing parameters which will ultimately govern its restrictions. Analysis tends to impose a structure and build a discipline which in turn limits the topic.

Management Learning

Various authors have attempted to define learning by describing the processes that lead to the accumulation of knowledge.

Dewey (1933) has said that there are two kinds of experiential processes leading to learning. The first is *trial and error* which leads to *rule of thumb* decisions; these are limited by the specificity of the problem. The second kind is *reflective activity* which involves the perception of relationships between parts of an experience and leads to effective problem solving and improved effectiveness of learning.

Burgoyne and Hodgson (1983) described three levels of learning. *Level 1* learning occurs when factual information is utilized immediately, is situation specific, but does not have any long term effect. *Level 2* learning refers to situations where managers learn something transferable from one situation to another. This type of learning causes changes in long-term behaviours and perceptions, but is still situation specific. *Level 3* learning occurs when a manager becomes conscious of his/her own perceptions of the world, how these perceptions came to be held, and how they might be changed. This is long-term and is not situation specific.

Senge (1990) has proposed that organizational learning is promoted when the individual worker enhances his/her personal mastery and challenges mental models, and when groups work at sharing a vision and learning as a team. This systems thinking approach recognizes the interconnections within a whole system, as well as the existence of unrecognized forces upon that system.

Boud, Keogh and Walker (1985) explain that "only when we bring our ideas to consciousness can we evaluate them and make choices about what we will and will not do" (p. 19). Winter (1989) concurs when he states that "when we learn significantly from our experience we use skills (which can be improved) and methods (which can be described)" (p. 8). Therefore, planned, reflected upon, and articulated learning holds the most promise for improving managerial performance.

Action learning is one method which is aligned with this goal of implementing intentional learning strategies as a cost-effective management development tool. Revans (1980) defines action learning not as learning by doing, but as "learning to learn by doing with and from others who are also learning to learn-by-doing" (p. 288). The process is a group learning opportunity with the focus on one member's situation at a time. It allows each manager to define a learning goal relevant to personal tasks and learning needs.

A typology for different management jobs has been proposed by Stewart (1991) in recognition of the different contexts and practices required by the various types of management positions, even within the same organization. She proposes that each position can be categorized according to the level of internal versus external contact, and according to whether they focus on working cooperatively with peers or on supervising subordinates. The particular demands of each type of management job are linked to different learning requirements and training methods.

Butlin and Oderkirk (1997) found that "education is one of the strongest predictors of an individual's ability to access occupations offering autonomy in the workplace" (p. 33). This autonomy is more evident as one moves up the managerial ladder, and those with a high level of autonomy were found to recover most quickly from a job loss.

Management Learning Within the Non-profit Sector

When the focus on management learning is on competencies, O'Neill (1992) argues that these competencies must occur within an ethical dimension for the success of the non-profit organization. O'Neill thus outlines the unique elements that the non-profit manager needs to learn: shaping and articulating values of the members and the larger society, motivating workers without economic incentives, managing organizations with no clear financial bottom line, and interacting extensively with boards and volunteers.

Much of the challenge of traditional management is to make work meaningful to people (Watson, 1994). In the non-profit sector, the relevance and worth of the work is usually clear, but what is less clear is how best to understand and facilitate management learning within this cooperative and humanitarian environment.

Where there is no bottom line to define success, Herman and Heimovics (1991) believe that survival measures a non-profit organization's effectiveness. Survival is more likely when "boundary-spanning activities secure sufficient resources for the organization and when its legitimacy is confirmed by society"

(p. 68). This suggests that executives must spend time boundary crossing and building external relationships while trusting managers to concentrate on internal functions.

This section has reviewed management learning for non-profits. Values and ethics are seen as increasingly relevant to management performance criteria generally (Burgoyne, 1989), and particularly for leaders of the non-profit sector (Mason, 1992). Methods of learning which promote the examination of one's behaviors and attitudes hold much promise for improving managerial performance (Revans, 1980; Senge, 1990; Winter, 1989).

Management Crossover

Management crossover is covered in terms of management development and through a review of the Survey of Labour and Income Dynamics (Statistics Canada, 1998).

Management Development

Corporations currently recommend their young managers hone skills by volunteering in the non-profit sector. Through this experience comes significant leadership, mission and policy development expertise which will be an asset as they strive to move up the private sector management rung (Barnes, 1996; Isenberg, 1994; Ross, 1997). One corporate mentor explained that "although the nature of the bottom line may be different in the nonprofit sector than it is in the corporate world, the need for excellent performance is not" (Ross, 1997, p. 15).

In the United Kingdom, junior and middle managers from large non-profits believe that managers should be chosen from within the ranks, and not brought in from the business and public sectors. This conflicts with the reality that one half of the senior managers in non-profit organizations have commercial backgrounds (Bruce, 1993). When charities choose senior managers from outside their sector, it must not be in such high proportions according to Bruce. He argues that when this happens, non-profits will see their middle managers demotivated, and the learning requirements of the new executives will be too costly. Another perspective is offered by Dees (1998) who suggests that non-profit organizations can chart a favorable course by incorporating entrepreneurial operations to support their social missions. Dees states that "few social enterprises can or should be purely philanthropic or purely commercial; *most* should combine commercial and philanthropic elements in a productive balance" (p. 60). He proposes that non-profits recruit from the business industry, be prepared to compensate business recruits more highly, and promote the internal acceptance of the skills and values of the new staff.

When non-profit salaries remain low relative to the marketplace, Handy and Katz (1998) propose that only managers with a high commitment will stay, and ultimately this high commitment is best for the organization. Once a manager finds an organization aligned with personal values, then the job becomes 'worthwhile managing' and he or she brings their passion as well as their skill.

In terms of the crossover of systems from one sector to another, Alexander and Weiner (1998) investigated the adoption of the corporate governance models

by non-profit organizations and concluded that the "structures and practices of the for-profit sector is neither a feasible nor even a desirable solution to problems facing many nonprofit organizations" (p. 223).

Survey of Labour and Income Dynamics

Statistics Canada began a longitudinal study in 1993 named the Survey of Labour and Income Dynamics (SLID). Drawing on 15,000 households, a total of 31,000 respondents aged 16 and up are being followed over a six year period (Giles, 1995). This database has been designed to support labour trend research in Canada.

The SLID data reported here is based on a request for information generated from the first cohort which was collected between January of 1993 and December of 1994. Unfortunately, the sample size was not sufficiently large to allow for a reliable analysis of the non-profit sector manager. Therefore, SLID data will be limited to the categories of business and non-business industry managers only. Non-business industry referred to the combination of public sector and the smaller non-profit sector.

Age. The age distribution is shown in Table 1, and suggests that the age representation for the two industry groups were similar between the ages of 25 and 54. Between the ages of 16 and 24 there was a higher proportion of business industry managers, and between the ages of 55 and 69 there was a higher proportion of non-business industry managers.

Table 1

SLID: Manager Distribution by Age

	Industry	
Age group	Business	Non-business
16 to 24	22%	15%
25 to 34	22%	25%
35 to 44	23%	22%
45 to 54	16%	15%
55 to 69	16%	23%

Note: Population Estimates: Business - 873,000, Non-business - 313,000

Survey of Labour and Income Dynamics (Statistics Canada, 1998).

Gender. SLID data showed that within the business industry, 65% of managers were male and 35% were female. Within the non-business industry, 54% were male and 46% were female.

Education. The level of education of the managers was also captured. Whereas 61% of business industry managers had postsecondary education, the level among non-business industry managers was 80%, as seen in Table 2.

Table 2

SLID: Distribution by Level of Education

	Industry	
Highest level of education	Business	Non-business
Less than high school	10%	3%
High school graduation	29%	15%
Non-university postsecondary	38%	34%
University undergraduate degree	20%	29%
University postgraduate degree	3%	17%
Don't know	1%	1%

Note: Population Estimate: Business - 873,000, Non-business - 313,000

Survey of Labour and Income Dynamics (Statistics Canada, 1998).

The reasons related to the end of original job are listed in Table 3. Business industry managers were more likely to lose their job involuntarily than non-business industry managers. Voluntary job loss included retirement.

Among the non-business industry managers who changed jobs, 59% found new positions as managers, whereas only 33% from the business industry remained at the manager level. Business industry managers who changed jobs were more likely to have their wage negatively impacted than non-business industry managers.

Table 3

SLID: Distribution by Reason for Job Loss

	Industry	
Reason for job loss	Business	Non-business
Voluntary	51%	66%
Involuntary	29%	5%
Don't know	20%	28%

Note: Population Estimate: Business - 209,000; Non-business - 59,000

Survey of Labour and Income Dynamics (Statistics Canada, 1998).

Crossover of managers. The crossover of managers between the business and non-business industries is listed in Table 4. Ninety one percent of business managers who changed jobs remained in the business industry, and 8% (11,840) crossed over to the non-business industry, whereas 33% (9,860) of non-business industry managers crossed over to the business industry and 67% found new positions within the non-business industry.

It would appear that this provided opportunity for the strengths and weakness of one sector to be transferred to another. Because this SLID information did not isolate the non-profit sector manager from the non-business category, this data cannot be inferred to apply directly to the non-profit sector. The next section will focus on the Red Cross manager, and the context within which they work.

Table 4

SLID: Distribution by Industrial Sector of Next Job

	Industry	
Industry sector of next job	Business	Non-business
Business industry	91%	33%
Non-business industry	8%	67%
Don't know	1%	0%

Note. Population Estimate: Business - 148,000; Non-business - 29,000

Survey of Labour and Income Dynamics (Statistics Canada, 1998).

The Canadian Red Cross Society

Previous studies of Red Cross have primarily focused on the American
Red Cross volunteer operations (Adams, 1980, 1977). However, our interest lies
in the management system of The Canadian Red Cross Society (CRCS). The
history of Red Cross at the international and national level will frame the context
of the Red Cross manager's work.

International Red Cross History

The International Red Cross, now represented by one of the most
recognizable symbols in the world, was begun in 1859. A travelling Swiss

businessman, Henry Dunant, came upon 40,000 dead and wounded soldiers on the battlefield of Solferino after the Austrians withdrew from their battle against the French and Italians. Dunant set aside the business purpose of his journey and turned his attention to rallying the local villagers into providing first aid, offering food, water and shelter, and writing letters to their families of the dying. Dunant inspired others to lend their commitment to this humanitarian movement dedicated to the relief of human suffering on the battlefield by writing about his experience. Though the organization remains non-sectarian, Dunant was guided by his strong religious principles.

The International Red Cross has adopted guidelines for the manner in which it delivers services; the 7 fundamental principles of the Red Cross were proclaimed by the International Conference of the Red Cross in 1965. These principles are Humanity, Impartiality, Neutrality, Independence, Voluntary Service, Unity and Universality.

The Canadian Red Cross Society

In Canada, Dr. George Sterling Ryerson served as surgeon to the Tenth Royals militia regiment. In March of 1885, he was sent to the scene of Louis Riel's Northwest Rebellion where he distinguished his medical wagon by adding a piece of cloth with a Red Cross sewn onto it. This was the first time a Red Cross was flown in Canada. The organization opened a Red Cross chapter in 1896 with a focus on providing medical services to those injured in war. The leaders of the Red Cross working in Canada streamlined their efforts, and by the end of the First

World War they operated with the "efficiency of a successful business enterprise" (Porter, 1960, p. 51).

After World War One there was an international call for Red Cross to expand its focus to the promotion of the general health of the international community through the League of Red Cross Societies. The International Red Cross Committee would continue to focus on humanitarian activities during times of armed conflict. The Canadian Red Cross took on the challenge willingly, and over the next decades developed a variety of services.

These statistics outline current Red Cross annual activities (CRCS, 1997, 1998):

A. trained 1,000,000 Canadians in water safety;

B. trained 200,000 Canadians in first aid;

C. educated 60,000 teenagers on the topic of abuse prevention;

D. helped 99,000 seniors through various home support programs;

E. provided 100,000 wheelchairs or other sickroom equipment;

F. assisted 30,000 during personal disasters such as house fires;

G. coordinated almost 130,000 volunteers, not counting blood donors.

Red Cross programs reach a large number of Canadians each year and services are tailored to the specific needs of each community. The mission of The Canadian Red Cross Society is to promote "their survival and safety; their security and well-being; their human dignity in Canada and around the world" (CRCS, 1997). Red Cross is a service organization which operates a subset of services in a business manner while carrying out its mission. This history

demonstrates the longevity of the organization nationally and internationally. Its services have changed throughout history, and the organization continues to modify its services.

Canadian Red Cross Staff Profile

Red Cross offices are located in communities throughout Canada. The organization is divided into four regional areas: Western zone, Ontario zone, Quebec zone and Atlantic zone. The national office is in Ottawa. The Canadian Red Cross has four general job classifications: executive, manager, professional/technical and administrative/support. Our area of interest is limited to the first two categories, executives and managers. These include 170 positions, or 15% of the total staff. The following profile of Red Cross staff will include the time staff have been employed, how long they have been in their current positions, and their education (CRCS, 1998).

Time employed by organization. Table 5 shows the median and average number of years staff of each category have been employed by the organization.

Table 5

Years of Experience With CRCS

Job classification	n	Number of years with Red Cross	
		Median	Average
Executives	10	1	4.2
Managers	160	7	7.9
Professional/technical	424	3	4.7
Administrative/support	472	3	5.1

Note: N=1066

Average length of Red Cross employment was 4.2 years for executives and 7.9 years for managers. The median tells us that half of executives had been with Red Cross for less than one year, and half of the management group had been with Red Cross for less than seven years. The average time that professional/technical and administrative/support staff had been with the organization was 4.7 and 5.1 years, respectively, with half of both groups having been employed with Red Cross less than three years. This indicates that, managers had the least turnover, and executives the most.

The number of years Red Cross staff had been in their current positions related to organizational restructuring. This represented a significant level of change, as shown in Table 6. Of particular interest was that executives had been in their current positions less than one year. Managers had been in their current positions an average of 3.3 years, half of the managers for less than 2 years.

Education. Red Cross staff were highly educated. Over all four

categories, 76.5% of employees held some sort of postsecondary education, and

40% of those held more than one postsecondary degree. Of those who held post-

secondary degrees, 50% were at the university level.

It is interesting to note the differences in educational fields of studies

between zones. The primary field of study among staff at National Office was in

the humanities (36.2%), in Western zone was Education (43.9%), in Ontario was

Humanities (35.8%), Quebec was Business (57.8%) and the Atlantic zone was

Health Sciences (73.3%).

Among the 10 executives, the five main fields of study were, in

descending order, Health Science, Law, Business, Arts and Humanities.

Table 6

CRCS: Years of Experience in Current Position

		Number of years in current position	
Job classification	n	Median	Average
Executives	10	<1	<1
Managers	160	2	3.3
Professional/Technical	424	1	2.3
Administrative/Support	472	1	2.9

Note: Executive median and average experience in current position was less than
one year.
N=1066

Table 7 indicates that there was a strong Business (41%) profile related to the field of study among managers at Red Cross. Other areas of academic study included Social Work (12%) and Humanities (11%), Health Science (10%) and Education (6%).

This review of Red Cross staff profiles indicated that executives had been with the organization the least time of any category of staff, and managers the longest time. Red Cross staff were highly educated generally, but levels of education were not specifically descriptive of manager and executive categories, but rather of all staff. The most prevalent academic field of study among managers was 'business'.

Table 7

CRCS Managers: Five Main Fields of Study

Fields of study	Degrees	
	Number	%
Business	144	41
Social Work	42	12
Humanities	38	11
Health Science	35	10
Education	22	6

N=160 (does not include 10 Red Cross executives)

Note: Some CRCS managers hold more than one degree.

Summary

The Canadian non-profit sector is growing, and is expected to attract more professionals from the private and public sectors, particularly among the 'baby boomers'. As the marketplace expands and government is reduced, the non-profit sector is expected to play an increasingly important role in the delivery of services within society. There is pressure on the non-profit sector to meet this challenge by adopting more businesslike practices.

Management research serves to assist managers, and those who support them, in understanding the behaviors and thought processes most conducive to organizational success. The mechanistic perspective of management competencies is being revised to include a more holistic perspective of the manager and his or her environment. A variety of management learning methods are available to assist managers to implement those strategies perceived to be most effective. Action learning is one such management development method.

Quantitative data related to the crossover of managers between the sectors and the profile of employees of Red Cross were reported through secondary data sources, SLID and Canadian Red Cross respectively. Non-business industry managers were slightly more likely than business industry managers to be women. Non-business industry managers tended to be older and more highly educated. When Canadian business managers end one job, approximately 8% transfered to the non-business industry. Among non-business industry managers who lose their job, 33% moved to the business industry.

Red Cross has been in Canada for over 100 years. As society has changed, so have the services of the organization. Canadian Red Cross staff were found to have a high level of turnover, particularly among executives. Restructuring meant that most staff had less than 2 years in their current position. Red Cross staff were highly educated, with business being the predominant field of academic study for managers.

The methodology used to investigate the integration of managers from the public and private sectors into Red Cross will be outlined in Chapter 3.

CHAPTER 3

METHODOLOGY AND PROCEDURE

The purpose of this study was to explore management development

sectorial profile of mid-to-senior level managers in The Canadian Red Cross

Society. The qualitative methods chosen for this study were designed to add

insight and understanding to the available quantitative information from the

secondary data sets covered in the literature review.

Middle and senior managers were surveyed to explore their experiences in

crossing sectorial boundaries when hiring new managers; their perceptions of the

similarities and differences between managers of the three sectors; their opinion

on how best to acquire the skills needed for the future of the non-profit

organization; and respondents' own cross-sectorial management experience

profiles.

Research Design

This project examined the topic of managers moving from the private and

public sectors into the non-profit sector. Restructuring was placing strain on the

organization at the time of the survey. It was important that the research interview

have clear time limitations and be as non-threatening as possible.

Structured interview questions were designed to complement the sources

of secondary data reviewed in the literature and capture the experiences of Red

Cross respondents. Questions were tested on a convenience group of managers to

ensure clarity and time needed for interviews. The survey questions were grouped

under four categories: personal experiences in hiring other managers; perceptions

of managers from each of the three sectors; perceptions related to the managerial

skills important to the future success of the organization, and how best to acquire

these skills; and respondents' sectorial manager development (Appendix B).

Research Population

Twelve middle and senior managers from Red Cross were interviewed by

telephone between May 1 and June 30, 1998, for this research study. This level of

management was chosen to allow for questions pertaining to the hiring of other

managers. Subjects were recruited for balanced gender representation and

geographic diversity. From a list of 19 zone and National Office managers

provided by The Canadian Red Cross Society, four could not be contacted, and 15

were contacted to request their participation in this research study. Of the 15

managers contacted, 12 responded and consented to participate in the telephone

interview. This provided a response rate of 80%. One participant requested a

copy of the interview questions prior to the interview, and this was provided.

Seven (58%) of the respondents were male and five (42%) were female.

Four (33%) respondents were from the National Office, and eight (66%) were

from various zone offices across Canada.

Data Collection and Analysis

This section outlines the data collection and method of analysis of the interviews. The surveys were conducted through 15-minute telephone interviews. The telephone medium prohibited the use of non-verbal cues. Though the use of recording devices is recommended whenever possible (Merriam and Simpson, 1995), in an effort to maximize respondents comfort level in sharing their opinions and beliefs, they were not used for this study.

Each interviewee was told that the purpose of the interview was to explore their experiences and perceptions related to the crossover of managers between the private, public and non-profit sectors. In order to ensure that their intended meanings were accurately captured, transcribed notes from the interviews were mailed to the research respondents. This provided them an opportunity to review their responses and make any changes. No content changes were made, but minor wording changes were made by five respondents.

The survey was comprised of both *standardized open-ended questions* and *closed fixed response questions*, as described by Patton (1990). Patton also describes different types of questions to frame the purpose of research. Because the purpose of this research was to elicit managers' experiences and perceptions related to the crossover of managers between sectors, the questions related to categories of *experiences and behaviors*, *opinions and values*, and *background demographics*. Question types not included in this research were *feeling*, *knowledge* or *sensory questions*.

Quantitative data analysis used basic descriptive statistics for the closed

fixed response questions. Qualitative data was be subjected to inductive analysis.

The design explored similarities and differences based on a descriptive study

approach. Similar comments from the open-ended questions were grouped

together to form categories. Frequencies were then calculated to describe the

occurrence of like statements reported among the sample.

Hiring from across the Sectors

Respondents were asked how often they had been involved in the hiring of

a manager in the past year. Respondents who had been involved in a hiring of a

manager in the past year were asked to choose the most recent hiring as the 'hiring

event' to review. A 'hiring event' included the candidate interview process as

well as the final selection of the successful candidate. Follow-up questions

pertained to the one 'hiring event' which was the respondent's most recent

experience, as this was expected to provide the highest level of recall accuracy.

Recalling that one hiring event each, respondents were asked if they had

interviewed candidates from within the Red Cross; from another non-profit

organization; from the public sector; or from the private sector. This described

the sectorial pool from which potential non-profit managerial candidates were

drawn. Respondents were then asked to name the sector (or sectors) from which

the *successful candidate* had acquired managerial skills. They were asked

whether or not this sectorial profile had been a factor in their hiring decision, and

why it had or had not influenced their hiring decision.

<p style="text-align:center;"><u>Perceptions of Sector Managers</u></p>

In this section, respondents were asked to give four or five words that came to mind when they thought of a 'private sector manager'. This question was repeated for 'public sector manager' and 'non-profit sector manager'. These questions allowed for a free association of words and ideas related to managers from each of the three sectors. Similar responses were grouped into categories, and frequencies were calculated based on the themes which emerged.

<p style="text-align:center;"><u>Non-profit Managerial Skills Important to Organizational Success</u></p>

Respondents were asked which management skills they believed to be necessary for the future success of the organization, and how they believed these skills could best be acquired. Similar responses were grouped into categories, and frequencies were calculated based on the themes which emerged.

<p style="text-align:center;"><u>Manager Skill Development</u></p>

In this section of the interview respondents were asked about their cross-sectorial management backgrounds. Questions included the length of time they had been with the organization, and any previous management experience prior to joining Red Cross. Those respondents who had prior management experience were asked to list the sectors in which this experience had been acquired.

Respondents were then asked about their birth cohort in relation to demographic profiles listed by Foot (1996).

Other Questions

At the conclusion of the interview, respondents were given an opportunity to share any information which they considered relevant to the topic of crossover of managers between sectors, but which had not been elicited by previous questions. Interview quotes were integrated into the findings section of the study.

Methodological Assumptions

This research was framed within a naturalistic paradigm which recognized that reality was a mental construct. The role of subjectivity and the impact of values on research was held to be inevitable and desirable. The interpretations which emerged were grounded in the participants' experiences and were context bound.

Limitations

This research was descriptive of manager crossover between the sectors, and explorative of non-profit manager perceptions relative to the three sectors of society and to their organizational learning needs for future success. This research was not, nor was it meant to be, explanatory or predictive in any way. It does not attempt to prove or disprove any management theory, or to define competencies for non-profit sector managers.

The following factors caution us against making definitive statements about non-profit sector managers based on this research.

- The small sample size and the focus on experiences and opinions lend themselves best to offering insights and deeper understandings of the non-profit sector manager profile.

- Red Cross may or may not be a typical non-profit organization.

- The quantitative studies reviewed in the literature are not directly comparable; SLID has only business and non-business categories; Red Cross has non-profit staff, but not all data can be reduced to the manager category.

CHAPTER 4

FINDINGS

The purpose of this study was to investigate the perceptions, experiences

and background of mid-to-senior level managers at Red Cross relating to:

1. The sectorial context of their managerial skills development.

2. Their experience in hiring managers from across the sectors.

3. Their perceptions of managers from each of the three sectors.

4. The skills important for the future success of Red Cross, and how best

    to acquire these skills.

Twelve managers from across Canada participated in structured telephone

interviews between May 1 and June 30, 1998. Following are the findings in the

above four areas.

Sectorial Context of Respondent Skills Development

The managers interviewed had been with Red Cross an average of 7.6

years with a range of less than one year to 23 years. Half the managers

interviewed had been with Red Cross less than 2.8 years. Eleven of the 12

managers interviewed had management experience prior to joining Red Cross.

The sectors within which the managers acquired their skills are listed in Table 8.

One respondent developed managerial experience within Red Cross only, two had

previous managerial experience from non-profit/public sectors, two from non-

profit/public/private sectors, three from the public sector, two from public/private

sectors, and two from the private sector. Six managers specifically indicated that the move to Red Cross was a second career for them, as each had reached senior positions within the public or private sectors.

Table 8

Prior Managerial Experience of Respondents by Sector

Sectorial experience	Number of respondents
Red Cross	1
Non-profit and Private	2
Non-profit and Private and Public	2
Public	3
Public and Private	2
Private	2

Note: N=12

From a demographic perspective (Foot, 1996), nine of the respondents were front end baby boomers (Table 9). This birth cohort, therefore, included three quarters of respondents.

Table 9

Demographic Cohort of Respondents

Birth cohort	Number of respondents
Depression Babies 1930-39	1
World War II Babies 1940-46	1
Front End Baby Boom 1947-56	9
Back End Baby Boom 1957-66 (Generation X)	1

Note: N=12   Demographic terms (Foot, 1996)

Hiring from across the Sectors

This section will report on numbers of hiring events which respondents were involved in over the past year, and cross-sectorial data regarding the most recent of these hiring events. Reasons managers gave for their sectorial choices will also be reviewed.

Number of Manager Hirings Among Respondents

Of the 12 respondents, 10 had been involved in the hiring of a manager in the past year. The frequency ranged from one to six, for a total of 40 manager 'hiring events' among respondents in the past year.

Respondents were asked whether they had interviewed any candidates from each of the different sectors the last time they hired a manager. Candidates

having experience from each sector of society were found to have been considered in most 'hiring events'.

Table 10 considers the profiles of the candidates hired through the 10 hiring events. Of the 10 candidates hired, one had developed managerial skills in the public sector, three in public/private sectors, one in Red Cross/non-profit/public/private sectors, one in Red Cross/public/private sectors, one in Red Cross/private sectors, one in Red Cross only, one in Red Cross/another non-profit, and two in the public sector only. The predominant experience of the candidates hired was from the public sector (7 successful candidates), followed by the private sector (6 successful candidates), Red Cross (5 candidates), and least predominant was from another non-profit organization (2 candidates).

As described in Chapter 1, the public sector included quasi-public institutions such as hospitals. In fact, two respondents noted the recent increase in applicants coming from downsized hospital settings and the easy transferability of their formal health care skills into Red Cross. "As a result, people are moving from hospital into community based service delivery", said one respondent.

Table 10

Sectorial Background of Candidates Hired by Respondents

	Sectorial background of hired candidate			
Respondent	Red Cross	Other non-profit	Public	Private
A			✓	
B	✷		✓	✓
C	✓	✓	✓	✓
E	✓		✓	✓
F	✓			✓
G	✓			
H	✓	✓		
J			✓	
K			✓	✓
L		✷	✓	✓

Note. Data is in relation to the 10 'hiring events' being reviewed.

✷ indicates that candidate had significant volunteer experience in that category.

Hiring Preferences

Managers indicated that their preferences for candidate experience and training were dependent on the position being filled. One manager offered this example:

Sometimes I look for young people that we will form in the organization ... like for the area of communications. But in other areas, like fundraising, I want them to have more experience. In that area of specialty, we train them, they may leave for more money in a few years. So it depends on the area you are hiring for. (CRCS manager)

Managers experienced differences with the sectorial pools from which they had drawn interviewees. One manager shared thoughts on manager crossover this way:

I've seen it with public to nonprofit, but haven't seen private to nonprofit. The issue is compensation, its difficult to compete and attract technical people when you don't offer bonuses, shares, etc. What we can offer is to learn different skills, and very much with a mission focus ... can be very satisfying ... doing work that helps people. People who come and stay, its that mission, they really believe in it. (CRCS manager)

When asked whether the sectorial context of the candidates was influential to the hiring decision, eight respondents answered 'yes', and two respondents answered 'no'.

The two respondents who said that they were not influenced by the sectorial experiences of the candidates were looking for the relevant skills set and did not care where the skills had been developed. The eight respondents who indicated they were influenced by the candidates sectorial experience expressed a variety of perspectives. Assuming similar levels of competencies, some favored Red Cross candidates out of a sense of commitment, or because they would adapt more quickly to their new positions. Other respondents favored candidates with the broader perspective offered by cross-sectorial experience. Others had

determined that there was a need to recruit from outside Red Cross in order to meet a specialized skill set requirement. There was consensus that competencies came first, but a values perspective was also expressed by several respondents, including the following:

> What's critical for me is that they know, understand and have some affinity with our 7 Principles ... there has to be a relationship with their fundamental value system ... that's the acid test. (CRCS manager)

Perceptions of Sector Managers

Respondents were asked for four words (or phrases) that came to mind when they thought of managers from each of the three sectors. Common themes were joined under one term for listing purposes, but with an attempt to maintain the flavour of the diversity of responses. Selected quotes have also been included to capture the depth of the comments.

PRIVATE SECTOR MANAGER: The five most common answers are listed in Table 11. The term used most commonly was having a focus on the 'bottom line' (10), followed by being 'profit driven' (6), 'efficiency' (4), and a shared ranking for 'competitive' and 'managerial skills' (3 each).

Some managers felt there were parallels between the private and non-profit sectors, including the manager who shared these thoughts:

> In my view managing in the nonprofit organization and private organization is very similar ... I'm not comparing public, which deals with political and bureaucratic issues, but private to nonprofit the skills and values are very similar. Except for the mission: ' things' versus 'human'. (But the two sectors) should be managed the same way. (CRCS Manager)

Table 11

Descending Rank Order of Respondents' Perceptions of "Private Sector Manager"

Rank order of term	Term groups	Actual number
1	focus on bottom line	10
2	profit driven	6
3	efficiency	4
4	competitive	3
4	marketing skills	3

Note: N=12

PUBLIC SECTOR MANAGER: The five most common answers are listed in Table 12. The most common response was 'bureaucracy' (9), followed by 'public policy' (6), 'political skills' (5), and then shared ranking for 'risk averse' and 'diverse skills' (4). Some managers brought to these questions more than their perceptions, some shared their experiences.

The following two respondents spoke from different sides of the sectorial crossing issue. The first worked with others who had crossed over from the public sector, and the second had crossed over from the public sector.

> Public sector managers tend to be frustrated because they work with such strict guidelines, they have far less freedom to manage ... they are tentative when you first hire them but happy to discover that they have the freedom to manage [in the non-profit sector]. (CRCS manager).

[Crossing sectors is] partly what I wanted to do, to see if my skills and experience from the government side were transferable ... I've now seen government from a different light. Being outside government and trying to reach them has certainly opened my eyes from my perceptions when I was inside government! (CRCS manager)

Table 12

Descending Rank Order of Respondents' Perceptions of "Public Sector Manager"

Rank order of term	Term	Actual number
1	bureaucracy	9
2	public policy	6
3	political skill	5
4	risk averse	4
4	diverse skills	4

Note: N=12

NON-PROFIT SECTOR MANAGER: The five most common answers offered in free association to 'non profit manager' are listed in Table 13. The most common term was 'values driven' (12), followed by 'doing more with less' (10), 'people skills' (6), and then again a shared ranking for the last two, 'leadership' and being 'committed' (3 each).

Table 13

Descending Rank Order of Respondents' Perceptions of "Non-profit Sector

Manager"

Rank order of term	Term	Actual number
1	values driven	12
2	doing more with less	10
3	people skills	6
4	leadership	3
4	committed	3

Note: N=12

Though there was some overlap in the words respondents associated with

the managers from the three different sectors of society, heterogeneity between

groups and, to a lesser degree, homogeneity within groups was evident. One

respondent explained that "the shift is one of perceptions. A competent manager

who shares the core values of the organization can do a good job."

Non-profit Managers Skills Important to Organizational Success

Respondents were asked what key management skills were necessary for

the success of their organization in the future. The five most commonly cited

skills are listed in Table 14. The most common term was 'best business practices'

(10), followed by 'values driven' (8), then 'leadership' (8), and then

'communication skills' and 'paradigm change' (6 each). Managers linked

financial matters to the context of the organization, as illustrated by the following

quote:

> The way I look at it, financial development is about community
> development ... we build relationships with people who share a vision.
> I'm looking for people who do not just understand our organization, but I
> look for experience in building community. You do that by sharing a
> vision, building rapport, building relationships ... you have to understand
> the economics of community.

Table 14

Descending Rank Order of Respondents' Perceptions of Key Managerial Skills

Rank order	Skill	Actual number
1	best business practices	10
2	values driven	8
2	leadership	8
3	communication skills	6
3	paradigm of change	6

Note: N=12

Although changing times may suggest that new competencies will be

required in the future, one resondent explained that though some things change,

the core of success remains constant:

> [Success for] Red Cross in the future and in the past is the same ...
> integrity, loyalty, and generosity. Its more of an attitude than a skill ... also
> to support a paradigm of change. You must have the capacity to work as a
> team, and to have expertise in your area of function. (CRCS Manager)

Some respondents indicated that the non-profit organization was unique in terms of defining success. One respondent explained:

> Intellectual rigor is very important when working for an organization that
> needs to live out its mission. Its different than for a company that can
> shelve its mission and fight for their survival, but we can't shelve our
> mission of service. (CRCS Manager)

When asked how the managerial skills required for future organizational success could best be acquired, the responses fell into six major categories and one unique category. The six major categories were 'reflexive experience' (11), 'training' (9), mentoring' (5), 'tying of theory to practice' (5), 'trait'(3) and 'student of marketplace' (3). 'Reflexive experience' included the opportunity to work in different settings, to make decisions and to learn from one's mistakes. 'Training' included everything between a one day workshop to a commitment to advanced education. The term 'mentoring' included not only having a leader from whom to learn, but also being part of a larger system which nurtures your management development. The 'tying of theory to practice' was emphasized as a key component to acquiring managerial skills and referred to all levels of programs which incorporated direct theory application to concretize learning. 'Student of the marketplace' included being familiar with Canadian attitudes and customer wants. The 'trait' category recognized that qualities such as integrity and personal values were not formally taught. The unique category was

'emergency response'. This category is significant in Red Cross because emergency and disaster response are a large part of its work. Emergency and disaster experience can be considered an intense stretch assignment filled with opportunities to make decisions, and to learn.

Discussion

This discussion will explore the findings as they relate to the literature. Sectorial perceptions of the respondents will be discussed, followed by the level of manager crossover found in the study. This last part of the discussion will consider the preferred management learning methods which emerged.

Sectorial Perceptions

Respondents' perceptions of the three different sectors reflect considerable agreement. The private sector manager was perceived as 'focused on bottom line', 'profit driven', 'efficiency', 'competitive', and with 'marketing skills'. These are measurable competencies which could support the 'best business practice' skills perceived to be important to Red Cross' future success. Perceptions of the public sector were 'bureaucracy', 'public policy', 'political skill', 'risk averse' and 'diverse skills'. The terms changed from relating to results oriented in the private sector to process oriented in the public sector.

Respondents perceptions of the non-profit sector were associated with the terms 'doing more with less', 'values driven', 'people skills', 'leadership', and being 'committed'. These terms seem more people oriented. But are these

perceptions related to the skills and styles of the managers, or the context in which they work?

James (1989) noted the ideological origins of many non-profit organizations may lead to the perception of non-profits having a people-centred values orientation. Referring to non-profits and private sector organizations, Handy (1994) and Dees (1998) remind us that each is improved by learning from the other. Indeed, Dees (1998) pointed out that an organization will probably combine commercial and philanthropic activities, so the sector crossover often exists at the practical level. Van Til (1988) and Johnson (1983) said that the process orientation of the public sector, or bureacracy, served as its strength because it allowed it to avoid short term damaging leadership. If the sectorial terms had been perceived to be weakness, respondents might be expected to discriminate in their sectorial selections of new managers. As will be discussed in the next section, there is no evidence that this occured.

Red Cross managers in this study believed that being 'values driven' and exhibiting 'leadership' was second only to using 'best business practices' as the key to future success. This is consistent with the four steps to non-profit success outlined service organizations and reported by Coolsen and Wintz (1998). These four steps were to lay a foundation through mission and vision, to combine inspiring leadership with effective management, to build understanding and collaboration, and finally to learn, grow and change.

Respondents noted that what private and non-profit sector managers had in common was freedom to manage autonomously without the political and

bureaucratic constraints of the public sector. Respondents noted similarities between the public and non-profit sector manager in that they both were concerned with the public good and could not measure success as simply as the private sector.

Manager Crossover

The respondents had been with Red Cross an average of 7.6 years, and half had been with Red Cross less than 2.8 years. Respondents were predominantly from the baby boomers cohort, as described by Foot (1996). Though this is slightly older than the range of ages of managers from either the SLID data or the Red Cross manager data, that may be because the managers in this study were particularly chosen from middle to senior management levels. These findings of the current reality within a large non-profit support Foot's comments. Foot said that the front end of the baby boom would move from the private and public sectors to second careers among the ranks of the non-profits. This provides more evidence that working for the lower paying non-profit may be a deliberate choice. Approximately half the managers stated that they fell into the category of viewing their non-profit work as a second career. What we don't know is if this is a new phenomenon linked to the lack of upward mobility in the private and public sectors due to the baby boom glut, or if this has been a long-standing occurrence.

Findings indicated that there was some integration of public and private sector experience among the managers of this large non-profit organization. The profiles of the respondents, and the profile of the new managers being hired by the

respondents, reflected this cross-sectorial experience. Respondents tended to interview managerial candidates from all three sectors, this provided evidence that opportunity existed to hire for diversity. Respondents perceived managers from each sector quite differently, yet they hired from all three sectors. Therefore, the different perceptions cannot be equated to a difference in value or level of competence attributed to managers in each sector.

Business training and private sector experience were common among Red Cross managers. Dees (1998) says that hiring from the business industry won't change non-profit practices unless there is a system in place to support the integration of new values and perspectives.

The high level of turnover within the organization was particularly evident among 'executives', and to a lesser extent among 'professional/technical' and 'administrative/support' staff. This study did not gather data about reasons Red Cross executives had left their jobs, but the work of Meidl et al. (1985) may be relevant here, particulartly to the 'executive' category within Red Cross. Meidlt et al. have suggested that organizations overemphasize leader responsibility both in good times and in bad. These were not good times for Red Cross, and perhaps the high turnover of 'executives' was a reflection of the difficulties facing the organizational.

Are workers entering the non-profit sector due to lack of opportunity in the better paying private and public sectors, or out of a true preference? The high level of staff turnover, other than the 'manager' category, suggested that the non-profit sector was viewed as a place to work until a better opportunity came along.

Alternately, the findings of Butlin and Oderkerk (1997) pointed out that those with higher levels of education were most likely to get jobs which offered them high levels of autonomy and authority, and that they recovered from job loss most quickly. Butlin and Oderkerk's findings would imply that the highly educated Red Cross staff had good chances of getting the type of job preferred.

Noting the higher level of education among managers in the non-business industries than the business industry (Statistics Canada, 1998), one could speculate that where success could not be measured by profits then the guarantor of competency may have shifted to a broader perspective which included academic achievement.

What does this high level of crossover mean in terms of the learning needs of the organization? The most relevant point here is that the 'manager' category within Red Cross had the least turnover (CRCS, 1998b). Therefore, the development of managerial competencies would appear to offer more long-term benefits to Red Cross than the development of staff in any other job category.

The survey asked respondents if the sectorial background of candidates had been influential to their hiring decision, and followed by asking 'why' or 'why not'. 'Why' questions resulted in the least definitive responses. It was subsequently noted that the question 'why' is one to be avoided in surveys as it tends to elicit responses on many diverse levels, making it difficult to analyse (Patton, 1990). Rewording this question may have evoked more definitive data pertaining to the sectorial factors relevant to the respondents' hiring decisions.

The SLID data indicated that managers in non-business industries were more highly educated than managers in business industries. Data on the education level of Red Cross staff was not differentiated by job category in the literature. Therefore, no direct comparisons could be made between the levels of education of Red Cross managers and those of the business and non-business industry managers of the SLID report.

Management Learning

Some respondents of the survey remarked that the skills needed for success, and the best ways to acquire these skills, were dependent on the requirements of each job category. Stewart (1991) also noted the need for this differentiation.

Respondents indicated that 'best business practices' were the most important managerial skill for the future organizational success. Being 'values driven' was ranked second in importance, and this finding is aligned with the competencies which Burgoyne (1989) suggested should be included in a management portfolio for the new-age organization. James (1989) indicated that the element of values could indeed be important to the operational success of the non-profit organization since the non-profit depends on the altruism of society more so than the public sector organization, and the trust of society more than the private sector organization (James, 1989). It may be that values must be integrated into the operational guidelines of the organization for its very survival.

Respondents' references to 'leadership' included the responsibility of being a role model for balance and having a healthy lifestyle. 'Stewardship' was conveyed as being important, as were 'communication skills' and supporting a 'paradigm of change'.

Some respondents described their learning related to crossing sectors. This was expressed as an intentional challenging of their perspectives. Job shifts as a managerial development strategy was also mentionned. This was congruent with Burgoyne and Hodgson's (1983) *Level 2* and *Level 3* learning. Learning from one's experiences was a strong finding in the study and the literature (Winter, 1989). Action learning and team learning, as espoused by Revans (1980) and Senge (1990) respectively, would appear to be managerial development tools which would build on the learning methods advocated by the respondents.

Respondents sought the development of external relationships, and advocated the importance understanding the needs, wants and general trends of Canadians. This was consistent with O'Neill's (1992) perspective that non-profit managers must be able to articulate and shape the values of the larger society.

The previous section suggested that staff turnover is lowest among managers at Red Cross, yet half of the new managers hired came from outside the ranks of Red Cross. Bruce (1993) warns that when organizations don't invest in the internal development of their staff, they pay the price in staff turnover and orientation costs. Bruce also indicated that crossover may be rewarding to the organization, but may be threatening to existing staff. A greater focus on internal

development programs could help reduce the level of external hirings and the level of staff turnover.

If Rifkin (1995) is right and the non-profit sector continues to grow, cross-sectorial orientation programs will become increasingly important. 'Mentoring' for managerial development emerged as an effective learning method. This could be adapted to suit the needs of internal managerial candidates as well as managers crossing over from another sector.

If, as Herman and Heimovics (1991) say, the bottom line for the non-profit is survival, then the Red Cross is now facing that challenge more intensely than at any other time in its history. Herman and Heimovics indicate that non-profits must engage in boundary spanning activities and build strong networks of support. They state that non-profits must have their legitimacy confirmed by society. An alignment with Canadian values has seemed to be a strength of The Canadian Red Cross over past decades. Respondents spoke of the need to reach out, build community, and understand Canadian trends and values in order to meet the changing community need. This time of transition for the organization challenges it to reach for new levels in this area.

It is worth it to our society to strengthen non-profits (Drucker, 1994; Mintzberg, 1996; Rifkin, 1995), and the development of non-profit management competencies are key to that strength. The prediction of Handy and Katz (1998), who talked about the extra commitment of managers in the nonprofit sector, was corroborated by the respondent who, referring to crossover managers, said that "if

they stay ... its for the mission." This indicates that working for the Red Cross may be a career choice, and it may also be a life choice.

Summary

The manager interviews provided qualitative data which deepened our understanding of the perceptions of Red Cross managers. The respondents were more likely to have developed their management skills in the private and public sectors than within the non-profit sector or within Red Cross. Respondents tended to interview candidates from all three sectors of society to fill new management positions. Newly hired candidates tended to have cross-sectorial management experience, and this was evenly distributed across all three sectors. Though internal applicants were favoured by some respondents, the hiring decisions were primarily based on demonstrated competency, broad based experience and a predefined skill set which complemented that of the work group.

Respondents perceived managers from each sector as being quite different from managers of any of the other two sectors. Private sector managers were perceived as being focused on the 'bottom line' and 'profit driven'; public sector managers were associated with 'bureaucracy' and 'public policy'; and non-profit sector managers were perceived as being 'values driven' and 'doing more with less'. New managers were hired from each sector, implying that individual manager skills and competencies from the different sectors were similar, or similarly valued.

The learning methods perceived as most appropriate to respondents are consistent with the combination of approaches from the literature. These included 'reflective experiences', 'training', 'mentoring', and 'tying theory to practice'. A challenging of one's perspectives was also valued. Learning seemed to be highly valued at Red Cross, in terms of academic training and in terms of professional development.

This research suggested that Red Cross defined its success along the elements currently identified with the non-profit sector. This may suggest that Red Cross is validating its role as a non-profit organization in society rather than attempting to emulate another sector. Alternately, the skills which emerged as being needed for future organizational success, 'best business practices' and 'leadership' and being 'values driven', may be holistic competencies needed by managers of each sector.

CHAPTER 5

SUMMARY, CONCLUSIONS, RECOMMENDATIONS

This chapter presents a summary of the study, conclusions drawn from the findings of the study and possibilities for areas of research.

Summary

Recently, business and demographics writers have emphasized the importance of non-profits to the wellness of our society (Drucker, 1994; Mintzberg, 1996; Rifkin, 1995). Foot (1996) predicted that as baby boomers reach mid-life, many will choose to live out their values by transferring their skills to the non-profit sector. Yet, research data available on the non-profit sector is sparse (Nonprofit Research, 1997), particularly when the focus is narrowed to the non-profit sector manager. This study focused on the perceptions and experiences of this under-researched group.

This study surveyed 12 mid-to-senior level managers of a large non-profit organization, The Canadian Red Cross Society. Structured interviews provided information pertaining to respondents' own managerial experience from other sectors, their experience in hiring managers from other sectors, their perceptions of managers from the three sectors of society, and their description of the skills and learning methods needed for their organization's future success.

The Survey of Labour and Income Dynamics review showed that, relative to business industry managers, non-business industry managers were somewhat

more likely to be female, to be older, to have a higher level of education, and to leave their jobs voluntarily. This study also revealed that when changing jobs, 8% of business managers will cross to the non-business industry and 33% of non-business managers will crossover to the business industry.

Red Cross staff as a whole were very highly educated. Managers' main fields of study were 'business', followed by 'social work', 'humanities', 'health sciences' and 'education'. There was a high level of staff turnover, particularly executive successions.

Red Cross manager respondents thought of private sector managers as being 'bottom line' and 'profit driven', while they associated public sector managers with 'bureaucracy' and 'public policy'. Non-profit sector managers were thought of as 'doing more with less' and being 'values driven'. Diversity of sectorial experience was valued, but there was less consensus on the ease with which crossover managers integrated into The Canadian Red Cross Society. Most respondents felt that a competent manager could transfer skills from one sector to another once they adapted to the culture of the new organization, but a few respondents felt that the change from one sector to another required significant attention for successful integration. Dees (1998) noted that few non-profits operate purely philanthropically, but typically integrate some level of commercial activity. Red Cross respondents indicated that certain operations were run similarly to business, but with a focus on 'people' and 'values', rather than 'things' and 'profits'.

The skills which respondents felt were needed for future organizational success were similar to the four steps described by Coolsen and Wintz (1998) as the basis for success among service, or non-profit, groups. For future success, Red Cross managers said that 'best business practices' were primary, followed by being 'values driven' and exhibiting 'leadership', and finally 'communication' and supporting a 'paradigm of change'. Coolsen and Wintz reported that a group of organizations advocated laying a foundation through a mission, combining leadership with effective management, communication and building collaboration, and finally a commitment to learn, grow and change.

Most management skills linked to organizational success were said to be long-standing priorities of Red Cross. Respondents felt that these needed skills could best continue to be acquired through 'reflective experiences', 'training', 'mentoring', and 'tying theory to practice'. The effectiveness of these methods are well supported in the literature (Burgoyne and Hodgson, 1983; Winter, 1989), and could be further enhanced using the methods proposed by Senge (1990) and Revans (1980). Being 'values driven' was thought to be more of a prerequisite trait, rather than a learnable skill, though the literature is beginning to include this as a managerial competency which can and should be developed (Burgoyne, 1989).

Most of the managers interviewed joined the organization with prior management experience from either the private or public sectors. A review of 10 of hiring events indicated that successful candidates were recruited from all three sectors of society. The main criteria for hiring was individual competency,

diversity of experience, as well as to enhance organizational diversity. Secondary data revealed that Red Cross managers learned their skills from a combination of postsecondary theoretical training and substantial experience from all three sectors of society (CRCS, 1998b).

Conclusions

The purpose of this study was to explore the sectorial backgrounds of one group of non-profit sector managers. Comparisons between the sectors can sometimes leave one with the impression that the people within one sector are very different from people in another sector. This research suggests that, in fact, the managers in Red Cross were likely to have been managers in another sector just a few years ago. The nature of this study was not to define relationships, but rather to describe patterns.

Based on the findings of this study, the following observations were made:

1. There appeared to be a high level of crossover from other sectors into Red Cross at the managerial level.

2. Red Cross managers tended to have developed their managerial skills through a combination of cross-sectorial experience. Red Cross may well be their second career.

3. There is a difference in the perceptions of the different sector managers among respondents, though the relevance of this difference was not established.

4. There appeared to be consensus regarding managerial skills needed for future organizational success, and how to build those skills into the organization.

From a personal perspective, this research highlighted the common elements of cross-sectorial managerial competence rather than the differences between the sectors. The movement of people and skills between the sectors became more meaningful as it was personalized through the brief stories shared by the respondents. This research has validated for me that boundary crossing offers rich opportunity to challenge our perspectives and develop new skills. As a facilitator of cross-sectorial community partnerships and initiatives, I am motivated to continue to explore the bridges between the sectors, and build them where I can.

Recommendations

This research has provided descriptive answers to the original questions posed, and has suggested further areas of study. Future research should be pursued in order to better understand the mechanisms of management crossover discussed in this paper. We now have some evidence to suggest that there is a high level of integration of public and private sector managers into the non-profit sector, but a broader survey based on a larger population is needed in order to bring forth generalizable conclusions.

A multiple case study of HR managers in various non-profit organizations is recommended to address some of the areas of research suggested by our findings:

1. Comparison of the internal management development programs of non-profit organizations relative to similarly sized organizations from public and private sectors.

2. Investigation into the specific learning needs of managers who have crossed from the private and public sectors into the non-profit sector.

3. Investigation into the specific managerial development learning needs of junior and middle level managers in the non-profit sector.

4. An exploration of the factors leading to the apparent differences in education levels between the sectors. This study could include an analysis of the different guarantors of competency favoured by each sector.

Managers place a high value on experience and proven competencies, and Red Cross seemed to place a high value of formal education as well. A smaller, more focussed study could try to determine if the noted differences in fields of education across zones are due to different functions within each zone or to other factors.

The complexity of the non-profit organization and lack of bottom-line evaluation method may make non-profits particularly well suited to the systems thinking approach of learning organizations. Favouring long-term goals over

short term measures and prioritizing an alignment between personal and organizational values, non-profit organizations may be found to be the best models for the organization of the future. This is an area of organizational development research that is worth pursuing.

Gender issues have not been included as part of this study, yet there is little doubt that they are relevant to management and to the non-profit sector. As such, this area is recommended as a potential focus of other studies.

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APPENDIX A

CORRESPONDENCE

Mr. John C. Mulvihill   April 19, 1998
National Director, Field Operations
Canadian Red Cross Society
1800 Alta Vista Drive
Ottawa, Ont.   K1G 4J5

Dear Mr. Mulvihill,

Thank you for your cooperation regarding my master's project, the Non-profit Manager Survey. The excerpts of the Secor study which you forwarded to me will be very useful for my research. I am ready to begin the telephone interviews. Based on the direction provided to me by the University of Calgary Ethics Committee, I expect to proceed as follows:

(1) Obtain contact list of Executive, Managerial, and Professional/Technical staff within the National Office and Western, Ontario, Quebec and Atlantic zones. Contact list minimal information would include name, office, position and phone number. (Mr. Mulvihill, could you supply me with these contact lists?)

(2) Mr.Mulvihill to e-mail staff and advise them of research (optional).

(3) Make telephone contact to request permission for interview. If verbal permission granted, e-mail or fax consent form.

(4) Upon receipt of signed consent form, conduct telephone interviews. Sample will be selected to represent gender balance and geographic diversity.

(5) Transcribe interview, send copy confidentially to interviewee and make any modifications requested by interviewee.

(6) Analyse data, share general findings with Canadian Red Cross and request permission to use Red Cross name in master's project paper.

(7) Provide final report to The Canadian Red Cross and executive summary of report to all participants.

As we discussed, the purpose of the research is to explore the development of skills of managers working in the non-profit sector. The aim is to identify the degree to which the learning of managers within the non-profit sector have been developed internally as opposed to skills transferred from private or public sector experiences. The research will explore the non-profit managers' perceptions of the three sectors, as well

as their ideas of how best to acquire the skills necessary to support organizational success.

The proposed methodology is to review available demographic and career history data on managers in the non-profit sector, and to conduct telephone interviews with 10-15 middle and upper level managers within Canadian Red Cross Society national and zone offices. Following the interviews, each interviewee will be offered a copy of the notes as transcribed to allow for clarification or correction of information.

Areas of interview coverage are based on the literature search and consist of the following topics:
(a) brief description of person's experience in hiring managers from the various sectors;
(b) impressions associated with managers of the three sectors;
(c) identifying management skills necessary for future success of the organization;
(d) documentation of individual experience with any of the three sectors.

For the project paper, background information will be provided on a very general basis and will not identify the specific department in which any participant works. The Canadian Red Cross Society will decide if the organization may be named in the paper. A copy of the final project report will be provided to The Canadian Red Cross Society. Participants will be contacted and provided with an executive summary of the report. Again, thank you for your continued support of this project. I look forward to speaking with you again soon.

Eileen Patterson

Eileen Patterson, Student
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enclosed: Participant Consent Form

APPENDIX B

SURVEY

<u>Telephone Interview Questions</u>
<u>Section A</u>

I will begin by asking you about your experiences in hiring other managers in the organization.

1. Have you been involved in the hiring of a manager in the past year?

(a) Yes __ (b) No __

 (If yes, continue. If no, move to section C.)

2. How often?_____

<u>Section B</u>

3. Choosing the most recent hiring as an example, did you interview candidates

from within

(a) Red Cross? ____

(b) from other non-profit organizations? ___

(c) from the public sector? ____

(d) from the private sector? ____

4. Again, choosing that most recent hiring as an example, in which sector had the

successful candidate developed their managerial skills? (Check all that apply.)

(a) Red Cross_____

(b) Other non-profit_____

(c) Public sector_____

(e) Private sector_____

5. Was the context within which the successful candidate developed their skills
influential to your hiring decision? (a) Yes__ (b) No__

6. Why or why not?

_____

_____

_____

_____

Section C

Now I will ask you to give me some words that come to mind when I mention managers from the three different sectors of society: private, public and non-profit.

7. Please give me four or five words that come to mind when you think of a private sector manager.

_____

_____

_____

8. Please give me four or five words that come to mind when you think of a public sector manager.

_____

_____

_____

9. Please give me four or five words that come to mind when you think of a non-profit sector manager.

_____

_____

_____

Section D

Now I'd like to ask you about management skills you think are important.

10. During this time of government cuts to social programs and rapid
    technological developments, many organizations are going through changes.
    Could you tell me what you believe to be the key management skills necessary
    for the success of your organization in the future?

    _____

    _____

    _____

11. How do you believe these management skills can best be acquired?

    _____

    _____

    _____

    _____

Section E

In conclusion to the interview, I'll just ask some questions about your
background.

12. In which area of the organization are you currently employed?

(a) national _____   (b) zone _____   (c) regional _____

13. How many years have you been an employee of this organization? _____

14. When you first became an employee of this organization, did you have
previous management experience? (a) Yes   (b) No
 (If yes, continue. If no, skip to question No. 15)

15. Within which sector did you acquire your previous management experience?
(Check all that apply.)
(a) non-profit sector ___
(b) public sector ___
(c) private sector ___

16. What is your gender? _____

17. Within which of the following years were you born?

(a) 1920-29 _____   (b) 1930-39 _____   (c) 1940-46 _____

(d) 1947-56 _____   (e) 1957-66 _____   (f) 1967-79 _____

Section F

18. Do you have any comments you would like to add relating to the topic of this survey?

_____

_____

Thank you for your time. I will be sending you a transcript of this interview to offer you an opportunity to alter or expand your responses. Please feel free to make any changes you feel are appropriate once you review the information.

APPENDIX C

ETHICS REVIEW

APPLICATION FORM FOR ETHICS REVIEW

1. Exact title of research:
   Non-profit managers: where have they learned their skills?

2. Name: **Eileen Patterson**   Title/Position: **MCE student**
   Telephone Number: **403-527-4468**   E-mail: **dgkhardi@memlane.com**
   University Address: **via First Class**   Location of the research site: **Canada**
   Starting Date: **May 1, 1998**   Duration of Study: **6 weeks**

3. Describe the purpose/objectives/aims of this research.
   The purpose of the research is to explore the development of skills of managers working in the non-profit sector. The aim is to identify the degree to which the learning of managers within the non-profit sector have been developed internally as opposed to skills transferred from private or public sector experiences. The research will explore the non-profit managers' perceptions of the similarities and differences between managers of the three sectors, as well as how best to acquire the skills necessary for the future of the non-profit organization.

4. Describe the proposed methodology of the research study/project.
   The proposed methodology is to review available demographic and career history data on managers in the non-profit sector and to conduct telephone interviews with managers of a large non-profit organization. A convenience sample of 10-15 middle and upper level managers at The Canadian Red Cross Society will be contacted. Following the interviews, each interviewee will be offered a copy of the notes transcribed from the meeting to allow for clarification or correction of information.

   The telephone interview questions were tested on a comparable group and have been modified accordingly. Areas of coverage are based on literature search and consist of the following topics:
   (a) brief description of person's experience in hiring managers from the various sectors of society (public, private and non-profit);
   (b) impressions associated with managers of the three sectors;
   (c) identify management skills necessary for the future success of the organization ;
   (d) an in-depth examination of individual and management history based on description of experience with any of the three sectors.

Quantitative data analysis will consist of basic descriptive statistics. Qualitative data analysis design will explore similarities and differences based on a highly descriptive case study approach. Patterns will be sought and conclusions formulated on the findings.

5. Briefly describe the sample of persons to be used in this study. If a specific group is to be chosen, selection criteria should be clearly identified (age, gender, race, education, religion and specific status, e.g., learning disabled.)

    The persons to be recruited for this study are middle and senior level managers within a large non-profit organization, The Canadian Red Cross Society. The sample will include managers from the national level working in Ottawa, and the four zone levels (Western, Ontario, Quebec, Atlantic). Subjects will be recruited for balanced national and zone representation, balanced gender representation and geographic diversity.

6. Describe the method(s) of recruiting subjects. Will there be any remuneration? If so, why?

    The names, positions and contact information for all national and zone staff will be provided to the researcher by the National Director of Field Operations. The potential subjects will be recruited through telephone contact by the researcher. The letter of consent will be forwarded, signed by the subject, and collected by the researcher prior to the telephone interview being scheduled. Only the researcher will know which managers were contacted and which participated in the study. There will be no remuneration provided.

7. Will this study involve any of the following? Please answer yes or no to each item.

    a. Physiological manipulations **No**
    b. Emotional manipulations **No**
    c. Other controversial/potentially risky manipulations **No**
    d. Questions which may be upsetting to the respondent **No**
    e. Forms of deception **No**
    f. Potential for identifying disturbed/distressed participants **No**
    g. Potential risk(s) for participants **No**
    h. Post procedure debriefing or explanations **No**
    i. Withholding of information to participants **No**

8. If you do not plan to follow normal informed consent procedures provide a justification and indicate your alternative procedures.

    I plan to follow normal informed consent procedures.

9. a. How do you plan to handle the requirement of confidentiality and/or anonymity?
    Each participant will be given a first name which is not their real name for the purpose of this study. Background information in the paper to be written will be provided on a very general basis and will not identify the specific department or region in which each participant works.

b. Please provide details as to the storage and ultimate disposal of records/data: (a) what precautions will be taken to ensure that data is not traceable to given subjects/participants; (b) where this is not possible, who will have access to data: (c) where and how the data will be stored; and (d) for how long will the data be stored?

Data will be collected and input into a password protected file. All computer disks and paper notes will be placed in a locked container for three years. A copy of the final project report will be provided to The Canadian Red Cross Society. Participants will be contacted and provided with an executive summary of the report.

Date: April 6, 1998

Signature: Eileen Patterson

Eileen Patterson, Student
Master of Continuing Education
Project: CTED 701 and 703

APPENDIX D

CONSENT FORM

Eileen Patterson, Student
Dr. Syd Minuk, Supervisor
Masters of Continuing Education
Project: CTED 701 and 703
Non-profit managers: where have they learned their skills?

Consent Form

This consent form, a copy of which has been given to you, is only part of the process of informed consent. It should give you the basic idea of what the research is about and what your participation will involve. If you would like more detail about something mentioned here, or information not included here, please ask. Please take the time to read this form carefully and to understand any accompanying information.

The telephone interview for which you are asked to be a participant is part of a research project exploring the professional skills development of non-profit managers. This project is the final element towards the degree Master of Continuing Education, Specialization in Learning in the Workplace, at the University of Calgary. Your participation in this research project is completely voluntary and confidential.

This research focuses on the experiences and perceptions of non-profit managers relating to the three sectors of society: private, public and non-profit. Recent literature has predicted shifts from the private and public sectors into the non-profit sector and this research will attempt to document the degree to which this cross-sector transfer may already be occurring.

All participants are being drawn from the middle or senior management levels of The Canadian Red Cross Society. The interview will be conducted through a 15-20-minute telephone survey. You will be given the opportunity to review the transcripts of the interview to allow for clarification or correction of any points of information prior to data analysis.

A copy of the final paper will be provided to The Canadian Red Cross Society, and you will receive an executive summary of the project report. To maintain confidentiality, real names of responders will not be used, nor will any title or specific department be identified in the research paper. Interviews will be taped and the tapes will be kept in a locked box together with written transcripts of the interviews; this data will be destroyed three years from the completion of the study.

Your signature on this form indicates that you have understood to your satisfaction the information regarding participation in the research project and agree to participate as a subject. In no way does this waive your legal rights nor release the investigators, sponsors, or involved institutions form their legal and professional responsibilities. Your are free to withdraw from the study at any time. Your continued participation should be as informed as your initial consent, so you should feel free to ask for clarification or new information throughout your participation.

If you have further questions concerning matters related to this research,
please contact: **Eileen Patterson at 1-403-527-4468.**

If you have any questions concerning your participation in this project, you may also contact the Office of the Vice-president (Research) and ask for Karen McDermid, 220-3381.

_____   _____
Signature of Participant   Date

_____
Printed Name

A copy of this consent form has been given to you to keep for your records and reference.

STATISTICS CANADA RESEARCH AWARD

Joel Z. Yan   April 27, 1998
Coordinator, University Liaison Program
Statistics Canada
Ottawa, Ontario K1A 0T6
phone: 1-800-465-1222
fax: 613-951-4513
email: yanjoel@statcan.ca

c.c.: Dr. Syd Minuk,
University of Calgary, Department of Continuing Education

RE: APPLICATION FORM FOR STATSCAN RESEARCH AWARD

Dear Mr. Yan,

I am enclosing my application for a Statistics Canada Research Award in order to gather the data I require for my project on the learning of non-profit managers. This research project is the final element for successful completion of the Master of Continuing Education at the University of Calgary.

This award will enable me to access information through the Survey of Labour and Income Dynamics (SLID) data base in order to profile the non-profit manager, their education and their management development. Recent writings based on social (*Boom, Bust and Echo* by David Foot, 1996) and employment (*The End of Work* by Jeremy Rifkin, 1996) trends have predicted that the non-profit sector of society will expand as government is reduced. It has been suggested that the increased crossover from the public and private sectors into the non-profit sector will impact the manner in which non-profits operate.

Business writers such as Peter Drucker and Henry Mintzberg have been strong advocates of the importance of the non-profit sector to a balanced economy and the health of our society. Yet the non-profit sector is under-researched and very little is known about the men and women who choose a professional career in the voluntary sector. What is their educational background? How many have chosen to work in this sector early in their careers and how many came to it as a second career? What is the impact of bringing private or public sector management experiences into the non-profit sector? This research project is an attempt to answer these questions.

I appreciate your consideration of this application and look forward to hearing from you.

Yours truly,

Eileen Patterson

APPLICATION FORM FOR STATSCAN RESEARCH AWARD

1. Title of research: Non-profit managers: where have they learned their skills?

2.   Name: Eileen Patterson
       Program: Master of Continuing Education, *Specializing in Learning in the Workplace,* University of Calgary
       Supervisor: Dr. Syd Minuk

3. The purpose/objectives/aims of this research

   The purpose of this research is to identify the occurrence of crossover between managers of the public and private sectors into the non-profit sector, and the impact which this crossover has on the management of the non-profit sector. The training and experiences of non-profit managers will be profiled and compared to the training and education of managers in all sectors. This research will explore the development of skills of managers working in the non-profit sector to identify the degree to which management learning has been developed internally as opposed to management skills being transferred from private or public sector experiences. It will also assess the financial impact associated with a manager's crossover into the non-profit sector.

   The research will include an interview component to explore the non-profit managers' perceptions of the similarities and differences between managers of the three sectors, as well as how best to acquire the skills necessary for the future of the non-profit organization.

4. Description of methodology of the research project

   The proposed methodology is to review available demographic, educational and career history data on managers in the non-profit sector. This data will be collected from the Survey of Labour and Income Dynamics (SLID). This longitudinal survey is expected to both provide a description of the background of non-profit managers and also to capture the crossover of managers from the public and private sectors into the non-profit sector. The review of SLID data requires a special request for data from the master file as it is not available in the public versions of information. A detailed request will specify managers with the SOC code 1130 which lists "executive directors of

---

voluntary organizations", and the SIC code 869 which includes Health and Social Service Associations and Agencies."

Telephone interviews will be conducted with 10-15 managers from the non-profit sector. Subjects will be recruited for balanced gender representation and geographic diversity. The telephone interview questionnaire is based on the literature and consists of the following topics:

(a) brief description of person's experience in hiring managers from the various sectors of society (public, private and non-profit);
(b) impressions associated with managers of the three sectors;
(c) identification of management skills necessary for the future success of the organization;
(d) an in-depth examination of individual and management history based on description of experience with any of the three sectors

Quantitative data analysis will consist of basic descriptive statistics. Qualitative data analysis design will explore similarities and differences based on a highly descriptive case study approach. Patterns will be sought and conclusions formulated on the findings. Normal informed consent procedures will be followed.

Eileen Patterson

Eileen Patterson, Student
Master of Continuing Education
University of Calgary