

The Corner Office, Non-Profit Edition: A Practitioner's Thoughts on Social Justice Management

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I was at first flattered when I heard that students here at the Yale School of Management were interested in having me speak at this philanthropy conference, and still am, but after accepting, before long my warm feelings of satisfaction gave way to the cold sweat of anxiety, the kind you get in those dreams when you realize it's the day of final exams and you have never shown up for class all semester, or you find yourself on the stage for your piano recital without benefit of pants. While it may be too late for you to retract the invitation, here are some of the reasons it might have been ill-advised. I'll do it in a good news/bad news format, or rather bad news/good news, since I always prefer to get the bad news out of the way first.

Bad news: as a manager, you see, I am entirely self-taught. I have no advanced degree and barely earned my B.A. at Columbia -- yes, the anxiety dream about finals week was not that far off from my own experience. My career in non-profit management has been largely serendipitous and improvised, and indeed I am not sure I had heard the words "non-profit" and "management" used together until well into the journey that has led me to

the presidency of a major global foundation. I've never taken an executive leadership course or had any kind of formal coaching. I never read the business pages until I had a job spending rich people's money. I confess to retaining strong traces of an activist's disdain for the notion that academics have much to teach practitioners. In this skepticism I have something in common with Luke Johnson of Risk Capital Partners, who wrote last month in the Financial Times that "quite a few faculty in business schools..." and here you could also substitute public policy schools, law schools, or schools of international affairs, "...are too often highly theoretical in their outlook and too distanced from the nitty gritty of managing a company."

To get to the good news and balance that picture a bit, here are a few reasons it might have made sense to invite me today, and why it is possible that we might both benefit from our brief time together this afternoon. I've worked in social change organizations all my adult life – twenty years spent mostly in two of the leading human rights groups, the American Civil Liberties Union and Human Rights Watch, and another thirteen in leadership slots at two of the largest global foundations, the Open Society Institute and the Atlantic Philanthropies. I've run every aspect of these operations, from finance and development to legislative relations to field staff to program, in settings from a five-staff person state branch of the ACLU in Texas to a foundation with offices in over fifty countries from Haiti to Mongolia. I've worked closely with engaged boards of directors for my entire career, and I have served on a dozen or more. While I have learned about management on the job, I think I have learned something, and while I still make plenty of mistakes, it's not often I make the same mistake twice. I've benefitted from a number of mentors, and even learned

something – sometimes especially so – from being managed badly. A number of people to whom I have been privileged to offer professional opportunities tell me I gave them the room to take on challenges and grow, and many have gone on to exercise leadership at higher levels in other institutions. I reflect a lot about management practice, talk often with colleagues about it, soak up all the analysis and advice I can manage, including books and articles written primarily for a business audience, and stumble daily toward the light.

I chose to talk today about social justice management because I welcomed the opportunity to bring together my thoughts and experiences on the subject. Writing, while it is easy for some and hard for others, is in my work and personal life a key form of reflection, and sometimes you do not know what you think, or put it together coherently, until you have written it down. That is the first bit of practical advice I have for you today, so write it down! I write a lot of articles and give a fair number of speeches mainly to throw a spotlight on the work of the foundation and its grantees, but not incidentally because I want to find out what I think about something.

The title of this talk is “The Corner Office, Non-Profit Edition: A Practitioner’s Thoughts on Social Justice Management.” “The Corner Office” is stolen from the New York Times Sunday Business column of that name, in which CEOs reflect on their experiences and tell you to lead with your gut and know your customer, among other startling and innovative insights and practices. Seriously, I like the column, and am often struck by the parallelism of experiences in our very different universes. By social justice management, I mean, or meant originally, the management of institutions whose expressed mission is social justice. Those

alone are a very large number, and include the kind of human rights organizations in which I spent the first half of my career, labor unions, community development organizations, most churches and many educational institutions. Ideally they include government much of the time as well. But viewed another way, anyone who has a commitment to social justice, and a set of values to go with it, ought to be trying to practice social justice management even in institutions whose professed mission is neutral or otherwise. So I hope these remarks will have some relevance not just for friends like Ben Jealous of the NAACP, Cecile Richards of Planned Parenthood, Anthony Romero of the ACLU or Andy Stern of SEIU, but for Jamie Dimon of JP Morgan Chase, Steve Jobs of Apple, and of course, Rahm Emanuel as well.

Let me say a bit more about what I mean by social justice, since perhaps it means different things to different people. A few years back a working group of which I was part, set up by The Foundation Center and Independent Sector, sought to define social justice philanthropy. What the group came up with, and what these two key philanthropic sector organisations adopted, is worth quoting. Social justice philanthropy is “the granting of philanthropic contributions to nonprofit organisations based in the United States and other countries that work for structural change in order to increase the opportunity of those who are the least well off politically, economically and socially.”

The report went on to describe the characteristics of a social justice framework, which makes lasting change more likely, as including:

- A focus on root causes of inequity rather than symptoms
- Striving for lasting systemic and institutional change

- Employment of a combination of tactics such as policy advocacy, grassroots organising, litigation, and communications that together are more likely to yield enduring results
- Strengthening and empowering disadvantaged and vulnerable populations to advocate on their own behalf.

It's worth taking a minute to think about the vision behind a social justice framework, to sketch the world we want to live in, because our work must always, in a sense, begin at the end. It is a world in which peace prevails against history and odds, and in which respect for individual liberties is coupled with a sense of collective social responsibility for the most vulnerable. It is a world in which the rule of law is respected, not undermined, in the name of democracy, and in which respect for human rights is the basis of policy, not expendable in a crisis. It is a world in which democratic participation and meaningful civic engagement are the norm, and where governments provide a baseline measure of sustenance. And we want a world in which the most vulnerable are viewed as most deserving of public support.

If you manage an organization that is out to change the world – to improve the lot of workers, protect women's rights, achieve stronger health care coverage or end the death penalty, what is the relationship between your organizational practice – how you do your work – and your social change goals? Is it important that your internal practice be consistent with your external work? Is there any necessary connection? If so, why? These are a few of the questions I would like to think out loud about in the next few minutes.

No need to be dramatic, so let me answer my own questions right off and say, yes – I think it is important that the means used to achieve social justice goals be consistent with

your professed values and the worldview you are trying to advance. If stronger democratic participation – expanding the electorate, or removing obstacles for workers to organize -- makes for a more just society, where more people are involved in public decisions, then the same must hold for organizations that exist to push for stronger public policies on democratic participation. If racial and gender equality bring more diverse voices and experiences to universities and corporations, the non-profits and philanthropies which advocate that should have women and people of color in leadership positions at all levels.

To start with the bad news, as I did earlier, the sad fact is that very often there is a disconnect between principle and practice in the not-for-profit world, sometimes particularly among social change organizations. Many social justice organizations are rigidly hierarchical, reflecting a pseudo-military structure that many corporations, certainly the newer and more innovative ones like many tech companies abandoned years ago. They are often, too, extremely guarded about internal communication, if not to say secretive. Many stint on employee benefits, and not only because of limited budgets, because all budgets reflect choices, and indeed values. Little thought is given to career development of staff, and the leadership pipeline is often blocked by the reluctance or refusal of longtime leaders to move on. It is fair to say that there is virtually no training or organized thinking about human capital in most social justice organizations. Ambition, sometimes for misguided politically correct reasons, is generally less expected and tolerated than in the business world, so it must often be disguised, and the smart young worker who would like to move up the ladder will find that she has to propel herself, since no one else in the place is thinking about how to help her develop.

While many social justice groups love people in the abstract, they don't always do a good job with them in the specific, particularly those closest to home. Acknowledgment of work-life balance needs, especially for a diverse and younger workforce which strikes those balances quite differently than the Mad Men generation, is often sorely lacking.

When social justice organizations don't practice what they preach, the consequences are much more intense than in a corporation or even a university, because the expectations that staff have are understandably higher. When people come to work for a labor union or a human rights organization, they expect to be treated better than at Wal-Mart. When they are not, the disappointment is much deeper. The disillusionment of a young starry-eyed idealist who finds that, say, an environmental justice group acts like Exxon – though for all I know, by the way, Exxon is a lovely place to work – can be profound.

Most of what I have said so far might be put under the heading of making social justice organizations more humane, so I want to turn for a moment to what might appear to be its opposite, which is making them more tough, since in the end they are really the same thing. The organization Social Justice Leadership – whose great URL is sojustlead.org – shrewdly points out that many social justice organizations on the progressive end of the spectrum have, as I have noted, an ambivalence about power. Since they mostly hold that “existing power relations [lie] at the heart of the problems that oppressed communities face,” they have the “noble desire to remake relations of power within the microcosm of the organization, but can give the false sense that the exercise of power is in violation of social justice values.”

That leads to a big gap between what people actually do and what they own up to doing, to be sure, but it also leads to a lack of rigor overall. Underperformance by staff – or the inability to even properly assess performance because of the lack of clear objectives – is often overlooked or excused. The most common form of subpar performance in many mission-driven social justice groups, which may seem counter-intuitive, is taking on too much. The messianic zeal of a human rights researcher who feels personally responsible for China’s political prisoners keeps him in the office most nights and weekends; the long list of outrages against the poor, all of them urgent and important, leads the advocacy department of a local community development group to come up with an annual work plan that is dead on arrival because of the failure to make necessary choices.

What these well-intended colleagues – and they have all been my colleagues, indeed, I have been there myself – fail to grasp is that not making choices is itself a choice: a choice to be ineffective. Not making tough decisions about staff – or for that matter, negligent board members – is a way of saying your mission is not important enough to train every available resource as effectively as possible toward women’s rights in Pakistan, or same-sex marriage in New Jersey, or immigration reform, or whatever you exist to do. The work is paramount, and the fact that, unlike most businesses, cause organizations can muddle on for years with failed management practices, because their funders, whether individual donors or members or foundations or government, look the other way, is no excuse. Well-treated and respected employees are essential -- over the long-term, anyway -- to effectiveness in pursuit of your mission, and an element of respect that is insufficiently appreciated is the respect to hold staff to clear and high performance standards. In this, as

in everything else I am talking about today, I have not always practiced what I have preached, and where that has happened, the work of the organizations I have led and worked in have always paid a price for it.

Finally, on the good news/bad news front, the stable of organizations who have as their mission improving the management of not-for-profit groups and deepening the capacity of their leaders is itself small and limited in capacity relative to need. There are a few long-established ones like the Management Assistance Group, and in the last ten years or so Bridgespan, Social Justice Leadership, the Rockwood Institute, and the Management Center. We need more such groups, and particularly more with the cultural capacity to work with social justice organizations.

I want to say a word about the trend of the last five years or so, captured well by my fellow speaker Matthew Bishop in *Philanthrocapitalism*, to celebrate non-profits which act like businesses, often transporting all the buzzwords into the sector if not the actual practices and standards. Given what I have said so far, in which on many matters of talent management I find non-profits well behind the private sector, you might expect me to be an unalloyed admirer of this trend. In fact, I am not, and I think the exaltation of venture philanthropy is overblown, as Matthew himself would acknowledge. Jim Collins has a good line on this, in his recent monograph, *Good to Great and the Social Sectors: Why Business Thinking is Not the Answer*. “We must reject the idea – well-intentioned but dead-wrong – that the primary path to greatness in the social sectors is to become ‘more like a business.’” he writes. “Most businesses – like most of anything in life – fall somewhere between mediocre and good. So why would we want to import the practices of mediocrity into the

social sectors?” And remember, Collins wrote that before the financial system virtually collapsed last year, a development that took some of the bloom off that rose.

As it happens, I’ve worked with and known more philanthropically-inclined rich people than most other people walking around. Some of them prove you don’t have to be smart to be rich. Enough said there. The best of them, though, like George Soros, Atlantic founder Chuck Feeney and Warren Buffett, apply the right lessons from their business lives. They have an eye for talent, and hire the best people and get out of their way. They take care to learn everything they can about the sectors they invest in – but also realize what they don’t know – that marketing for a hedge fund operates in a vastly different context than marketing for a civil rights organization, or that the lessons of building a successful chain of retail stores cannot be applied wholesale – forgive the play on words -- to building a strong higher education sector in Ireland.

While I will shortly conclude with some constructive advice, it seems so far I have shorted the good news part of these reflections. But there is some good news. The first bit is that younger leaders are bringing about overdue changes in social justice leadership. People like Deepak Bhargava at the Center for Community Change and Simon Greer at the Jewish Funds for Justice are forging new models of participation and collaboration, acknowledging the need for reflection and work-family balance, and attending to leadership and career development – not only in their own organizations, but in the larger movements in which they reside – much more intelligently and systematically than ever before.

Another bit of good news is that many are coming to see that the shortcomings of leadership in social justice organizations are to some extent structural, and there is much fertile discussion of structural solutions for them. Older experienced leaders in social justice groups don't leave not just because of ego or control issues but because there is usually no path for them to do so, and their often paltry retirement benefits do not make leaving easy to contemplate. If the next step after leaving is the scrap heap, you are likely to stay, even if you would rather move on. Encore careers, mentoring programs, and bridge fellowships are increasingly making a path out of CEO jobs for men and women who have much to contribute and even innovate.

Finally, I think that funders and others concerned with the health of the non-profit and social justice sector are increasingly acknowledging the vital importance of something I have only glancingly mentioned up to now, and that is the role of boards of directors. Here is a case where there are striking parallels with the more high-profile blow-ups in the private sector. When an organization falters – when there are explosive leadership, financial or effectiveness issues – you can be certain that a board has not been doing its job. That doesn't mean the board should intrude on the management prerogatives of staff leadership, because when a board is too interventionist as opposed to asleep at the switch, that's just as much a sign of organizational sickness. But it does mean taking stewardship seriously – insisting on sound strategies, providing budget oversight, assessing the performance of the CEO by agreed-upon benchmarks, and holding him or her accountable.

I would like to conclude, since the holidays are coming, with a small gift for all of you, and that is the distilled essence of what I have learned and believe about leadership in social justice organizations, in the form of the top ten management tips that have emerged from almost 35 years of working in them. I wrote these a few years ago for my Open Society Institute deputies when I left the organization in their hands – completely – as I went off on a four-month sabbatical. But as I looked them over just now, I don't think there is a thing that is not relevant to any kind of institution, from a bank to the State Department to Yale.

1. **The lower down the management structure, the more likely a person is to know what's going on.** Most of what I know about what any organization I have run or worked in is doing – and what I respect and trust most – comes from staff like program assistants and receptionists. If you form your view of senior staff and management from the way they are viewed by the people at the bottom of the staff hierarchy, you will rarely be wrong.
2. **Don't think you've actually heard what people are thinking just because you asked them.** You have to work at it – ask again, in different ways, use intermediaries, occasionally devices like anonymous comments. This is particularly true, of course, where there is a power dynamic at work, as in teacher evaluations, employment relationships, or, God knows, funding relationships.

3. **Don't assume that people heard you just because they were in the room.** People have a tendency to hear what they want to hear, particularly if what is being conveyed is unpleasant or unwelcome news. Repeat it, and follow up in writing.

4. **Lead with your voice and your expertise.** There is no way to head a mission and values-driven place like the foundations I have worked at – or most of our grantees – except with the quality of your thinking and strategy, and force of your passion. I learned that early on from visionary bosses like Ira Glasser, Dorothy Samuels and Aryeh Neier. It is possible to make people pay attention to you by invoking your authority or position, and sometimes you have to do that. But every time you have to, it is an occasion of failure. If you are leading effectively, people want your direction because they benefit from it, not because they have to take it. I learned that, by the way, from an early stint as a nursery school teacher.

5. **Admit your mistakes.** Within reasonable limits, your authority only grows with your admission of vulnerability and error. If you are honest about your misjudgments and mistakes, you will create a climate in which people who work for you are more likely to be honest with you.

6. **There is no such thing as a secret.** If one other person knows, in virtually all cases, someone else does, too. While it is perfectly appropriate to try to maintain

some confidentiality, particularly in personnel and salary matters, you should ask yourself if you could justify any action or comment, however upsetting or hurtful it may be to some people, if it were to become public. If the answer is no, you probably shouldn't make it or do it.

7. **Celebrate and acknowledge.** Every human institution – and probably some animal ones! – need rituals, and most don't celebrate enough. Everyone wants recognition and acknowledgment, and the time spent in praising someone for good work or marking a milestone or occasion is always well spent.
8. **Communicate.** Err on the side of telling people what is going on. They will put up with a lot, and better accept disappointment, if they believe they are being kept in the loop, and that you are being straightforward with them.
9. **Respect the personal sphere.** Almost everyone in any work setting brings at one time or another some concerns and anxieties from their personal lives – an ill parent, a child care problem, a troubled marriage, a rebellious teenager – that invariably bear on their ability to focus on work. Whatever the personnel rules are, cut them as much slack as you can reasonably manage. But at a minimum, when you know about such pressures, at least acknowledge what they're dealing with and make it clear that you understand the priority they have in dealing with

them. Do not add to their crisis by making them worry about their standing at work.

10. **Invest the time to help people grow into their jobs, but cut your losses if it's clear that isn't working out.** Not everyone hits the ground running. Many valuable staff people need time to adjust to a new set of responsibilities or issues, and if you are managing them, you need to try to make the time to help them with that, and mobilize others to help them. In the hopefully rare instances where you arrive at the judgment that someone is mismatched to their job, and no further investment is going to affect that significantly, confront that and get them to move on.

Looking these over one more time before hitting “save” this morning, it struck me that the theme running through most of them is transparency, the wisdom of crowds, the need to listen. In my candor today, particularly about my own experiences, I hope I have kept faith with the first. In order to keep faith with the second and third, it's time for me to shut up and hear what you have to say.

Thank you.