



United States African Development Foundation

Leading the Organization

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The Importance of People



- **“People make the difference”**
- **Our core values are about people**
 - Foster hope, growth and goodwill
 - End the poverty of one million Africans
 - Grow profitable businesses and sustainable social enterprises
- **Our own leadership skills – and those of our clients – are central to our success**

Successful Leadership



Three main roles for successful leaders

- **Communicating a compelling vision and clear goals**
- **Ensuring the right people are filling the right roles**
- **Creating alignment with the tasks, roles, performance, rewards and overall strategic direction of the business**

Leadership Role Evolves



- **Vision remains constant amid constant change**
 - The vision is the desired future state
 - Change is required to reach the vision
- **Leader must constantly communicate a clear vision**
 - Link issues and decisions to the vision
 - Use the vision as the guiding principle
- **Leader's role changes as business evolves toward vision**

Leadership Role Evolves



**Tasks, Planning,
Implementation**



**Leadership, Vision,
Direction**

- Initial conception stage
- Start-up stage
- Early stage
- Growth stage
- Rapid growth stage
- Maturity stage
- Innovation or decline stage

Organizing for Growth



- As a business develops, organizational needs change
- Direct, hands-on role of leader evolves toward leadership and direction
- Need to be intentional about this change
 - Consciously evolve as a leader
 - Design and craft the organizational changes

Organizational Design



- **Board of directors**
 - Provides accountability to leader
 - Helps ensure stability
 - Brings in outside viewpoints, skills, contacts and opportunities
- **Concerns about loss of control or confidentiality**
 - Boards may be insiders, rubber stamps, weak
 - Members must be trusted but independent
 - Best argument may be examples of success

Management Team



- As a company grows toward the vision, management team must grow:
 - Additional branches, divisions or offices
 - Higher sales volumes or production shifts
- Increased complexity requires professionalism
- Growing the management team must be planned:
 - Overstaffing is costly and demotivating
 - Understaffing limits growth
- “Manage the pain” to optimal levels

Exercise – Organizing for Growth



Refer back to the vision for your organization...

1. Is your board of directors aligned with the vision, and are they suitable for supporting you to achieve it?
2. What organizational structure changes will be required to meet the three-year vision?
3. What are some of the differences between planning organization change for a USADF Partner vs. one of our clients?

Building the Organization



- The vision defines the desired future state...
- The leader uses the vision as the guiding principle to set direction and make decisions...
- The growth and development plan is set accordingly...

Now, the management needs to be defined and filled out with people who will make things happen

Management Structure



- **Define a clear structure with defined roles and responsibilities**
 - Usually along functional lines
 - Structured to reflect the type of business
 - Simple, clear, concise
- **Leader must create clarity**
 - Clarity of purpose – why the organization exists
 - Clarity of structure – defined roles and responsibilities
 - Clarity of measurement – what is being measured and how

Recruitment and Hiring



- Look for capable, self-motivated people – smarter than you are!
 - Embody the company's values
 - Have the specific skills
 - Take initiative and learn quickly
- Recruit and hire objectively
 - Use a defined process
 - Refer to hiring plan and start with job description
 - Applications, screening, interviews, references
 - Finish with agreed-upon compensation plan

Compensation & Rewards



- Beyond the money...
- Monetary compensation must be objective and fair
 - Salary and wages must be defined in writing
 - Bonuses, overtime, profit-sharing must also be defined and based on performance – not ad-hoc or whimsical
 - Other one-off rewards should be public and connected to the company vision
- Leader carries the responsibility for the tone of compensation and rewards

Develop or Hire?



- Our clients often face this question
- Or – we face this question as we develop investment proposals for clients
 - Client needs a finance manager, marketing manager, etc.
- Should we “put in” a marketing manager or work with a client’s existing staff?
- Raises issues of trust, ownership of hiring decisions, sustainability of position

Ongoing Staff Development



- Again, beyond the money...
- Primary motivation of employees is to be successful
 - Defined by achievement, empowerment, actualization
 - Measured (to some extent) by money
- Provide opportunities for staff to grow
 - Incremental responsibility as capabilities grow
 - Recognized empowerment
 - Opportunities for training, growing into new areas

Day-to-day Leadership



- Say “Thank you”
- Share the big picture
- Treat people fairly
- Create a learning attitude
- Celebrate successes
- Increase responsibilities
- Trust and ask for input
- Avoid micromanaging

Exercise – Building the Organization



- As a rep or partner...
 - How can I recruit and develop the right people for my organization?
 - How can I help my employees achieve their own personal visions?
- For our clients...
 - How can we develop the leadership skills of our clients?
 - How do we strike a balance between developing internal staff and hiring outside skills?