

Farewell to the Volunteer Fireman

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Why do professionals often fail as managers of nonprofit organizations? Many nonprofit enterprises house and support the activities of professionals, doctors, lawyers, social workers, scientists, educators-and often one of these professionals becomes the chief executive of his or her particular organization.

These days a great deal of public concern has been directed at these organizations. As a consequence of such concern and of rampant inflation, many public and quasi-public institutions are operating under fiscal constraints. So it is especially important to analyze what the reasons are for failure at the top.

An observer may find that the manager paid too much attention to handling crises and too little to strategic issues. Or maybe he was reluctant to delegate responsibility and insisted on putting in 70-hour weeks. Or maybe he could not exert authority within the "peer culture" of professionals that dominates many such organizations.

In his investigation of the situation, the analyst should not ignore the characteristics and background that the person at the top brought to the job. In this article I want to examine these factors.

What credentials?

Selection for leadership frequently stems from professional eminence, not managerial competence. University presidents are often chosen in recognition of scholarly achievement, rather than of demonstrated administrative talent.

High officers in state and federal governments may be chosen because of community leadership or political activity. Heads of regulatory agencies may be chosen because of accomplishments in applying legal or economic theory to regulatory problems.

Physicians may be chosen to run hospitals on the strength of their reputations as healers or as leaders in local medical societies rather than on the basis of detailed knowledge of the industry.

Assumption of administrative responsibilities by a leading professional may interrupt his career often at great sacrifice. Therefore, he may view service in an executive capacity as a form of noblesse oblige, as an intrusion on rewarding Professional life by mundane and troublesome obligations to his peers and to the "common," which he seeks to put aside after an appropriate term.

One professional who turned manager characterized this as the "volunteer fireman" syndrome. When a profession-turned-manager returns to his practice, of course, he takes valuable institutional memory with him and his successor may be obliged to start from scratch.

Because the superior professional practitioner has focused his attention on his practice, he rarely receives formal administrative training or experience. Most professional education ignores, or at best treats glancingly, the administrative matrix (or maze) within which practice is carried on.

Medical education, for example does not extend to teaching the young physician how the hospital operates (though he may gain such knowledge during his residency). Law students receive little guidance on who the criminal justice system actually operates.

While there is a burgeoning industry, both inside distinguished business schools and outside, in training for new leaders of nonprofit organizations, the training may come too late in the professional's career to alter long-established habits and values.

The education of a professional is designed to give him a self-contained, self-sufficient competence in solving discrete problems, often on a case by case basis. Since the division of labor in professional practice tends to primitive compared with that in industry -- usually no more than a handful of helpers, clerks, or aides is required -- the professional is expected to command the resources and knowledge to solve most problems himself.

This Robinson Crusoe style of self-reliance stunts development of skills that are crucial to effective management, such as sharing work, budgeting time, delegating responsibility, and relying on systems to accomplish objectives. An orientation that focuses exclusively on problem solving not only handicaps the professional who has turned manager, but prevents him from doing what is important.

Exercise of authority

Professionals tend to be competitive, individualistic, achievement-oriented people. They have been trained to manipulate symbols, ideas, and people to achieve certain outcomes. Frequently lost in the process is the ability to listen others and to work with others to achieve organizational objectives.

The professional is taught to exercise authority without consciously recognizing its responsibilities. Consistently relating to others in this way makes it very difficult to adapt later in ones career to a cooperative and interdependent approach to working with people.

Professionals become accustomed to freedom in the workplace that is unparalleled in other sectors of the occupational system. The professional's authority, grounded in his special expertise, is clear and unquestioned whether with the helpless client, the sick patient, or a classroom full of students.

In most administrative settings the exercise of authority is an entirely different kettle of fish. One does not bargain with a student or a patient, except on extremely small matters. And one almost never issues edicts as a chief executive of a nonprofit organization, except on extremely small matters. Rather, one exercises the time-consuming arts of persuasion, negotiation, and compromise to move the organization forward.

For many reasons authority in most nonprofit organizations is fragmented and diffuse. Depending on the strength and autonomy of the professional group in the organization, a strong ethos of equality and "don't tread on me" may complicate the picture even further.

This diffusion of authority may frustrate and confuse the new executive in a nonprofit organization to the point of outright paralysis. It may result in a preoccupation with due process and consensus that renders decision making almost impossible.

Authority in any organization, let alone matrix organizations, tends to be a fragile commodity; it must be carried -- or, to use economist Max Weber's expression, legitimated -- to be maintained. The transition from the unilateral, untrammled exercise of authority in the professional setting to the ambiguous, often confusing exercise of administrative authority can be a difficult passage.

Facing new realities

Professionals may assert that the mission and purpose of the organization cannot really be grasped by people lacking professional training. While in some instances this rationale may be true, in others it is used to shelter the resource allocation process from the application of rational principles and sound management practice.

Professionals must recognize that the trained manager may be an ally in maintaining the quality of their organizations. A manager with a business background can be sensitive to professional

concerns in the administration of a nonprofit enterprise without understanding all the nuances of professional practice.

The challenge to professionals facing the world of restricted resources and public skepticism will be to accept the concept of administrative stewardship as a basis for relating to the trained manager. This concept implies trust and acceptance of the differences between professional practice and management as a basis for moving the institution forward.

Trustees and search committees must face some new realities. They should reexamine the often self-imposed restrictions on qualifications for leadership in their organizations and make sure they are relevant to securing effective management.

Statutory restrictions often leadership in state and local government agencies to holders of professional degrees. For example, in Illinois, the director of the state departmental health must be a psychiatrist and the director of public health holds both an M.D. and a masters degree in public health. While some restrictions on credentials may be appropriate (such as in some regulatory agencies that perform quasi-judicial functions), many others merely mote featherbedding.

Vigorous efforts are warranted recruit top executives with demonstrated administrative competency. Formal professional credentials has be less important than a record of effectiveness in leadership roles. More important, those who control the selection of top management for nonprofit organizations should be asking how effective they think the candidates would be in working with others and in communicating to the public the importance of the organization's social contribution.

Can a candidate motivate people to define institutional goals and priorities, judge subordinates' competencies, and take bold action, if necessary, to redirect the organization? Is he or she a good negotiator, an effective writer and speaker, a clear thinker? Can he run a meeting? Can he distinguish between staff and line functions and use subordinates appropriately? Does he have a vision for the institution's future that he can articulate and make a reality?

These are the relevant questions for those who select new leaders for their organization. The era of fiscal plenty is over, and so is the era of the "volunteer fireman."