Research to Practice Paper


Summary: This paper discusses the characteristics of Israeli nonprofits with organizational leadership development initiatives in place and the impacts these have on succession planning. The paper uses the results of a survey completed by 54 nonprofit Executive Directors in the human services sector in Israel as well as an in-depth literature review to discuss challenges faced by Israeli nonprofits in a post-recession era and the positive impacts that organizational leader development has on succession planning within these organizations. The paper looks closely at 5 areas of succession planning: a policy regarding internal applicants for senior positions, internal executive director recruitment, executive directors advising the board about succession planning, availability of leadership development programs, and accessibility of leadership development programs.

Who can benefit from this research: The boards and executive directors of organizations who are completing succession planning.

What type of organization or mission might make the most use of this research:

- Bozer and Santora directly address issues faced by Israeli nonprofit organizations, but they do so for multiple reasons including the similarities that Israeli nonprofits bear to organizations in both North America as well as some developing nations.
- However, the issue of maintaining executive leadership has not been an issue unique to Israel and organizations around the world can benefit from the insight to organizational leadership development in terms of executive transitions and succession planning.

When would this research be useful: Organizational leadership development initiatives can be helpful at most stages for an already operating nonprofit organization, but these considerations might be most impactful for newer organizations deciding on
training and development policy for employees or organizations who are anticipating an executive transition in the near future.

What are the primary findings:

- Bozer and Santora define organizational leadership development as “an integrated development process across all employee levels within a nonprofit for the purpose of employee empowerment through the development of interpersonal skills (e.g., social awareness and social skills) that ultimately contribute to individual and organizational success.”
- These practices aim to identify and develop leadership skills among already existing employees of an organization to help meet current challenges and address future challenges.
- Many organizations do not provide organizational leadership development to employees due to constraints related to money, time, and knowledge within the organization.
- The research surveyed 54 Israeli nonprofit directors from varying nonprofit sectors within the broader category of “human services.” The organizations with the greatest representation included civil society, law, social change, and political organizations, welfare organizations, education and research organizations, and health organizations.
- The research examined 5 specific hypotheses using a data regression model. The hypotheses and their findings are listed below with implications for practice and suggestions in the following section.
  - Hypothesis 1: “A policy regarding internal applicants for senior positions in the organization will be positively associated with the importance of organizational leadership development.” This finding was supported by the research. This finding was found to be of relative importance, with organizational leadership development explaining 23% of the variance.
  - Hypothesis 2: “Internal executive director recruitment will be positively associated with the importance of organizational leadership development.” This finding was supported by the research. This finding was found to be of mild importance, with organizational leadership development explaining 14% of the variance.
  - Hypothesis 3: “An executive director advising the board about succession planning will be positively associated with the importance of organizational leadership development.” This finding was supported by the research. This finding was found to be of mild importance, with organizational leadership development explaining 17% of the variance.
Hypothesis 4: “The availability of formal leadership development programs will be positively associated with the importance of organizational leadership development.” This finding was supported by the research. This finding was found to be of great importance, with organizational leadership development explaining 51% of the variance. This was the most significant variance of the 5 hypotheses.

Hypothesis 5: “The accessibility of formal leadership development programs will be positively associated with the importance of organizational leadership development.” This finding was supported by the research. This finding was found to be of relative importance, with organizational leadership development explaining 30% of the variance.

How does this research inform practice:
- Hypotheses 1 and 2 show the importance of commitment to the advancement of employees of the organization in succession planning. Both hypotheses were found to be supported by the statistical data demonstrating that more nonprofit organizations should place an importance on internal job growth in regards to succession planning. This is particularly important as the nonprofit sector tends to lack these policies.
- Hypothesis 3 demonstrates the importance of both board and executive director involvement in succession planning.
- Hypotheses 4 and 5 had the strongest statistical correlation. The availability and accessibility of formal leadership development programs were found to have the strongest impact on organizational leadership development. This shows that leadership development training should be made available at all levels of nonprofit management, not just at the top, in order to appropriately plan for succession within a nonprofit organization.
- Additionally, these findings demonstrate the importance of board’s fiduciary responsibility in creating and upholding a succession plan.
- Nonprofit organizations should also take greater consideration in promoting internally. The tendency to avoid this practice drives good workers from the nonprofit sector and fails to take advantage of the opportunity to train employees to set up success for the specific organization.
- Most importantly, organizations should be proactive in their succession planning and ensure that leadership development programs are both available and accessible to employees in order to promote growth within the organization.

Keywords: Israel, Organizational Leadership Development, Nonprofits, Succession Planning, Third Sector