



Organizations in Transformation Series

Organizational Resilience – A New Paradigm for the Social Sector?

February 2012

Preamble

The past five years have seen significant challenges for many organizations in the social sector, particularly those whose projects and activities address Pan-Canadian issues and who have been funded through programs of the Government of Canada.

The most recent issue of [Imagine Canada's Sector Monitor](#) continues to report serious concern, with 29% of charities reporting high stress, 51% reporting increased demand for services, 49% reporting difficulty in fulfilling their mission, and 26% reporting that their very existence is at risk. In addition, 27% of charities report decreased revenues and 49% report increased expenditures, a trend which is increasing.

In recent conversations with [NACY members](#), many organizations described serious financial challenges - some have even had to close their doors. Many of those that remain have limited resources, with few staff, many reduced to part time and working at home or in shared offices.

Clearly there have been significant changes in the sector since the federal government began restructuring in 2008. But while resources are reduced and restrained, we were also impressed by the many stories of adaptation and transformation that we heard from our members and through the work we are doing on the ground via the [Taking Stock project](#).

This prompted us to try to capture and share some of these stories, which we found to be quite interesting and encouraging, in a series of articles that we are calling "*Organizations in Transformation*". Larry Gemmel, former Executive Director of NACY, who currently works as a consultant specializing in organizational development and transformation has kindly taken on authoring these articles for us.

We will be sending out articles over the next few months with a view of sharing interesting stories and encouraging others to share their own transformation experience and advice. At the same time, this research has suggested a number of ways in which NACY can help its members to work together to be more effective, both in terms of sharing resources, building capacity, and creating collective approaches to public policy in support of children and youth.

In this first article, about Organizational Resilience, we explore how NACY might be an ideal vehicle for its members to work collaboratively towards a new policy agenda.

If you would like to share your *Organizations in Transformation* story, please don't hesitate to write to us at info@nacy.ca.

A past issue of the online journal [*The Philanthropist*](#) was devoted to exploring social innovation and I was very inspired by an article written by Judith Maxwell, former Chair of the Economic Council of Canada and the founding President of Canadian Policy Research Networks, entitled [*The Road to Resilience: Working Together*](#)¹.

This article begins with a particularly thorough review of the role and relative importance of the nonprofit or social sector vis-a-vis the public and private sectors in the context of some very significant shifts in our operating environment: Demography, Economy, Political Values, and Technology. Maxwell proposes a three dimensional model of “Resiliency” that suggests a compelling way to understand the interdependent factors needed for organizational survival and success: Demonstrate the **Public Value** of your work, show the **Legitimacy & Support** of your organization, and build and strengthen your **Operational Capabilities**. She then identifies and explains the need for collaboration both within and beyond the sector to create resilience and identify “*new ways to get things done*”. The article concludes with a detailed exploration of the power and effectiveness of “**Transformative Collaborations**”, identifying a series of success factors based on her own and other experience in the community sector.

I have always believed in the value of working together and my own experience in United Way organizations and at the National Alliance for Children and Youth has confirmed for me the tremendous leverage that collective and collaborative approaches create. More recently as the Director of the Canadian Alliance for Community Service-Learning, I became interested in what I saw as the enormous potential for Community-University engagement to enhance student, institutional, and community outcomes in mutually beneficial ways by mobilizing “*the intellectual and human resources of post-secondary educational institutions to address significant social, economic, environmental and health challenges at the community level*”². So the idea that collaboration, partnership, and working together would be beneficial and would increase our capacity as a sector to cope with, adapt to, and succeed in a changing and challenging environment made a lot of sense. What was new and exciting to me though was the application of the concept of resiliency to elaborate a new model of “Organizational Resiliency”! Could this be a new paradigm for the Social Sector?

In her introduction, Maxwell sets out clearly why the current situation demands resilience and collaboration:

The recent recession was a shock to both funders and nonprofits. It forced us to confront the radical shifts in the context that shapes our lives and in the needs of the communities we serve. Now that we have survived the recession, it is not business as usual. For years, we have been trying to do more with less. Now we must do more by working smarter. This means doing things differently. And more often than not that means working in collaboration with others so that we can set bolder goals and bring to bear more people and resources.

While the three dimensions of resilience are not new in themselves (the model is based on a Harvard Kennedy School paper called “On Creating Public Value: What Business might Learn from Government about Strategic Management.” by Mark Moore and

¹ Maxwell, J. (2010). *The Road to Resilience: Working Together*. *The Philanthropist*, 23(3).

² *Definition of Community Service-Learning*, www.communityservicelearning.ca

Sanjeev Khagram (2004)³), Maxwell's explicit linking of the interrelated dimensions in addressing the current context is clear and compelling. While many of us focus on strengthening (or at least preserving!) the operational capabilities of our organizations, Maxwell describes how important it is to establish the legitimacy of your initiative and to build support for the public value of your cause. It is in this respect that the importance of relationships and the need for broader collaborations can be seen most clearly. Certainly you must have an effective organization, but the model demonstrates that you need all three elements working well to succeed.

Maxwell draws on the work of other authors, including Liz Mulholland, Paul Born, Peter Block, Frances Westley, and Neil Bradford, to cite specific examples of why larger coalitions and collaborations are both necessary and more effective, and passes on detailed advice from her interaction with the [Ontario Nonprofit Network](#)⁴:

- *Collaborations work best if you put self-interest aside and focus on the best collective outcome.*
- *You need regular meetings that have a routine for reporting progress and problems.*
- *Assign responsibility for day-to-day nurturing of the collaboration to one person in your organization. S/he must stay connected to know where there are doubts, where a change in approach might be needed, and when to bring the executive director into the conversation.*
- *In some cases, it helps to take turns in leadership or to share leadership. Certainly, leaders are not heroes; they are servants of the common cause.*
- *Be clear on what each organization/person brings to the table.*
- *Be clear on what each participant is expected to deliver.*
- *Keep staff and volunteers as informed and involved as possible. They will contribute good ideas.*
- *When one partner is faltering, explore the options to solve the problem as early as possible to avoid losing momentum. Or, in the words of ONN, "if there is no energy to work on a project, the project should die."*

It seems to me that this elegant article has both good news and good advice for coalitions like the National Alliance for Children and Youth. Already designed to bring diverse members together around common issues to increase capacity and inform public policy, NACY would be a natural vehicle for its members to implement the kind of model of resiliency that Maxwell suggests, particularly in terms of creating legitimacy and mobilizing support. Considering that a high level of operational capability already exists within the membership, NACY fits perfectly with the models of transformative collaborations that have proven so effective.

In fact, the advice cited from the funding partners of Calgary Teen Zone⁵ could be applied directly to a project led by NACY:

- *Recognize that each partner is competent, accountable, and transparent and that each is an equal partner at the table with an equal voice. Leave egos at the door.*
- *Collaborators should feel comfortable enough to have difficult conversations.*
- *Start with a specific policy change in mind.*

³ www.hks.harvard.edu/m-rcbg/CSRI/publications/workingpaper_3_moore_khagram.pdf

⁴ www.theonn.ca

⁵ Pearson, H. (2010) Funder Collaboratives: Trend or tool. *The Philanthropist*, 23(2).

- *Set very specific goals and have a concrete outcome. Develop a thorough evaluation process to stay on track.*
- *Have all partners involved in advocating for the program.*
- *Don't underestimate the importance of good communications.*

Overall, I found this article to be very helpful and very encouraging from an Alliance perspective, and I particularly liked this use of the concept of resiliency, which is also very important to child and youth development.

Resilience from a human development perspective

I first learned about the concept of resiliency a few years ago in my work at NACY on the [Middle Childhood Initiative](#)⁶. Dr. Wayne Hammond from Resiliency Initiatives made a plenary presentation at our Middle Childhood Learning Summit entitled *Resiliency: Tapping the Strengths of Children in our Schools and Communities* which explained how a traditional risk-based approach focusing on deficits could be turned into a resiliency-based approach that focused on assets and strengths, enabling troubled school-age children not just to survive but to thrive. Hammond demonstrated clearly how we can increase the capacity of individuals to cope with adversity by supporting and nurturing “protective factors” which build developmental strengths to offset and overcome “risk factors”.

Suddenly I understood that while we couldn't protect everyone from negative circumstances and experiences, we could nurture an inherent human capacity that allows individuals to adapt and overcome, even thrive, in the face of adversity. This concept of resiliency resonated deeply with me because it had so many similarities to the Asset Based Community Building⁷ approach of John McKnight and Jody Kretzmann that I valued so much in a community development context.

Hammond defines resiliency as *“the capability of individuals and systems (families, groups and communities) to cope with significant adversity or stress in ways that are not only effective, but tend to result in an increased ability to constructively respond to future adversity”*⁸ and notes that resiliency is not static: *“This capacity for resiliency develops and changes over time, is enhanced by protective factors within the individual and their social environments, and contributes to the maintenance or enhancement of health”*.

This is very encouraging to those working with “high-risk” children and youth, because in long-term developmental studies of children who were raised in high-risk environments, researchers found that 50% - 70% of these individuals *“grow up to be not only successful by societal standards, but ‘confident, competent, and caring’ persons”* (Werner & Smith, 1992). The integration of resilience enhancing practices and approaches could further increase this result.

⁶ www.nacy.ca/middle-childhood

⁷ Kretzmann, J., & McKnight, J. (1993) *Building Communities from the Inside Out: A path toward finding and mobilizing a Community's Assets*. www.abcdinstitute.org

⁸ www.resiliencycanada.ca/index.php/what-is-resilience

While this was pretty exciting stuff for us in supporting our work to create a [Policy Framework for Middle Childhood](#), the concepts have stayed with me and are even more exciting today in their potential of helping us to understand and nurture resiliency in support of organizations themselves as they face adversity and stress in the current environment.

From Change to Adaption to Resilience

More recently, the concept of resiliency was used as the overarching theme for a report from Tim Brodhead and the J.W. McConnell Family Foundation⁹ entitled “[In a World of Unpredictable Change, What Canada Needs Most is Resilience](#)”. In the report, designed “to provide a concise explanation of what the Foundation is trying to accomplish through its grants, and why”, Brodhead (along with Chair Lyn Baptist and President and CEO Stephen Huddart) explains that “A strategy that began as implicit has progressively evolved from a focus on **change** to **adaptation** to **resilience**”.

McConnell restated its mission in 1995 “to help Canadians to understand and adapt creatively to the changes affecting Canadian society”, which resulted in a shift away from supporting physical infrastructure “toward strengthening the adaptive capacity of communities, families, and individuals.” In looking back over the past 15 years, Brodhead concludes that the term which best describes their focus on creating a balance between change and adjustment with the desire for continuity and stability is **resilience**: “A resilient system is one that remains healthy and successful while responding to shocks and disturbances. In other words, without losing its essential qualities, it adapts.”

While there is no easy answer to how to promote and create a more resilient Canada, McConnell “believes that a resilient society is inclusive, sustainable, and innovative”. The report goes on to provide an overview of the Foundation’s initiatives to address these areas, detailing many specific examples of programs that are working well, along with a specific section on “Active Citizenship: At the Heart of Resilience” which describes their funding to support caregivers, youth engagement, and Community Service-Learning to create stronger ties between universities and the wider community.

A resilient society must be open to change, but to some extent Brodhead suggests that “Canadians are trying to meet 21st century challenges with institutions and policies largely fashioned in, and for, the 19th and 20th centuries”. McConnell’s flagship program to accelerate evolution and change at the most fundamental levels is Social Innovation Generation (SIG)¹⁰, founded in 2007 “based on the premise that the major challenges we face require the focussed attention of all sectors of our society – government, business, academe, and community – and a wider range of resources than what the Foundation alone could provide”. SIG is currently focussed on three key priorities:

⁹ www.mcconnellfoundation.ca

¹⁰ For more information see www.sigeneration.ca

Building **capacity** for social innovation, mobilizing new sources of **capital** to meet community needs, and creating a **culture** of continuous social innovation.

All in favour of Resiliency, raise your hands

The adaptability of human beings is a remarkable thing, with the ability to not only survive traumatic experiences, but to even thrive and become more resilient as a result. While there would appear to be many challenges on the horizon for Canadian society in general, and the most vulnerable amongst us in particular, it is encouraging to note that so many leaders of the social sector seem to have such a strong sense of how the sector can move forward, and that this will be on a collective and collaborative basis.

Indeed, more than 500 organizational representatives participated in Imagine Canada's recent [National Summit for the Charitable and Nonprofit Sector](#) in Ottawa to do precisely that. Addressing a proposed [Framework for Action](#)¹¹ for the Nonprofit Sector which identified eight key [Drivers of Change](#) and suggested [Actions to Consider](#) regarding funding, human resources, sustainable operating models, knowledge mobilization and social innovation, governance and accountability, and creating a greater awareness of the sector's contributions and impact, these individuals came together despite busy schedules and limited travel budgets to work together and to pledge their support. (read the [National Summit Report](#))

Pretty remarkable, really. And perhaps quite different to what we might have been seeing in the same sector 5 or 10 years ago. Focussing on what we have in common, rather than how we are different.

It's starting to look like our social systems just may have the same resiliency genes as their human protagonists.

*About the author: [Larry Gemmel](#) is a former Executive Director of the **National Alliance for Children and Youth** who currently works as a consultant specializing in organizational development and transformation. If you would like to share your **Organizational Resilience** story, write to info@nacy.ca.*

¹¹ www.imaginecanada.ca/files/www/en/publicpolicy/framework_for_action.pdf