

# Managing Volunteer Organizations



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Paul attended St. Thomas University for five years, graduating with a Bachelor of Arts and Bachelor of Education degrees. He later attended the University of New Brunswick for post graduate work in psychology and administration and graduated from the University of Maine with a Masters Degree. Graduating from the University of Waterloo with a diploma in Economic Development, he later received his Ec.D. from the Industrial Developers Association of Canada. Some of his professional experiences include: high school teacher, General Manager of the Miramichi Region Development Corporation, General Manager of Moncton Industrial Development Ltd., C.E.O. of Resurgo Inc. and General Manager of Central Maritime Industrial Development Ltd.

I will be referring to the two fairly different situations in which I have worked in the practice of economic development over the past twelve years.

Most practitioners in Economic Development in Canada at the Municipal or regional level are in one of the following structures: City Department (Economic Development or Planning and Development); a Commission, Corporation; or Chamber of Commerce. Otherwise developers tend to work for a Government Department (Federal or Provincial); a bank, utility, private development firm or crown corporation. I will focus my remarks on my experiences at the Municipal and regional level. Your situation may be quite different, but if you're dealing with a volunteer Board many of the practices and principles are pretty much the same, I believe, though they have to be made to fit the situation.

## Basic Principles, Practices and Beliefs

In practicing economic development over the years, or in heading up any volunteer organization

I have operated on the following assumptions or beliefs:

**1. Motivation:** People are motivated by a variety of things besides money or salary. In fact, money is at the lower end of the scale in any hierarchy of needs and motivation I have ever studied. Things like recognition, achievement, status, etc. are equally and in some cases more important. Based on such thinking I have always treated volunteers with little difference in expectations to perform, than paid staff, except with respect to time demands. If people join a Board or Commission, they make a commitment and I seek to hold them to it. In other words, when required, challenge your Board members and hold them accountable.

**2. Planning and Organizing Work:** I have always operated with a plan and a program as an economic development manager and as head of many other volunteer organizations. I cannot imagine how you hope to get people to follow or move in a common direction if you don't share a common picture of where it is you want to go with some notion of how you intend to get there. For me, the most important job is to plan the work, assign responsibilities, and with the Board, continue to review progress.



You not only need a plan but a written plan and program clearly stated with realistic and realizable goals, preferably stated in outcome terms. I have operated for the past 15 years using a planning and programming model known as GTO (Goals, Tests and Operations), though I have varied it to suit my purposes.

If you want to get your Board to understand and support you, get them involved in the definition of the plan, if possible, so they share in its ownership. The plan and program once adopted, represents a contract with the Board and you should seek to hold them to it. You cannot have 16 different people with 16 different agendas telling you what to do: One board, One program, one set of priorities and with established procedures for any change in direction.

**3. Leadership:** The kingpin in any economic development department is the Economic Developer Manager. The Manager is the person to make things happen. He/she must be goal oriented and process conscious and sensitive; i.e. open for every opportunity to make changes occur. He/she has the power of knowledge, or should have, and must not hesitate to use it. I have found that my directors welcome strong but sensitive (respectful) leadership.

As manager, you know what you want to accomplish and must be able to communicate it in writing verbally. I have always made fairly strong use of the news media. This not only helps to communicate your plans more broadly, but tends to give you status to lead. You must also develop good interpersonal skills to carry out the role. Don't wait for your Board to tell you what it wants. It is your job to determine what they want and need and to provide same. Herein lies the greatest handicap of many people whose only work experiences have been in large organizations I believe. They very often fail to accept overall responsibility for providing organizational structure programs and leadership. They tend to think someone is going to tell them what to do.

**Competence:** there is no substitute for competence, hard work and their appearance in running an economic development agency such as those for which I have worked.

**4. Committees:** I have found that most Standing committees are not only a waste of time, but are counter-productive with respect to motivating Board Members. If you must have them, so be the case, but I'm a firm believer in project specific or "ad hoc" committees established for purposes of doing a specific job. If there is no real job to do, don't waste people's time.

**Be Direct.** If you want people to get involved ask or tell them. And spell out very clearly what you want done. Sometimes by making the request before the Board and placing the item on subsequent agendas requiring them to report, they usually begin to respond.

#### **5. Board of Directors:**

A) The right Board: Sometimes to get the right Board you have to influence the choice of appropriate members.

B) Board involvement - You must decide if and to what extent you wish to involve members in on-going activities. You should think through your reasons: support; promotions; communications to various interest groups; ownership; education, etc. In some cases you may wish to confine your Board's involvement to only a few activities. You will have to assess the need and reasons for Board participation and attempt to influence same.

#### **6. Organization Structure:**

A) There is no such thing as the ideal organization structure. You need a structure that suits your purposes and which is flexible and adaptable. If the structure you are presently in doesn't work, seek to change it.

B) Formal vs Informal Structures and Channels: In most organizations and systems, the formal channels as delineated on organizational charts seldom capture how things get done or where the real power lies. It is extremely important to know this and to learn how to identify and use the real power to accomplish your purposes. There are many ways to "skin the cat".

C) Seek to establish your agency as a prestige organization. Then you won't have too much trouble getting good people.

### **Motivating Volunteers in Economic Development Agencies**

I would now refer you to the two scenarios regarding the Economic Development Agencies I have worked for during the past 12 years. Though both are incorporated companies formed specifically for fostering economic development in their respective communities, they are quite different in terms of diversity of ownership, Board representation, area development needs/opportunities and program requirements.



## Organization I (MRDC)

### Five year plan

As indicated, the Miramichi was a start up situation involving six (later seven) separate communities. It was necessary to formulate a program that realistically addressed the needs and opportunities of the communities and one that they could support. My approach was to involve them (the Board) in the process of setting goals and objectives and formulating our first five year plan. In a situation like this, I have one guiding principle: focus on the positive, on what they hold in common; avoid the negative, the things they obviously disagree on, for you can do little or nothing about such matters in the short term.

Specifically, the approach was to meet separately with each of the Board members representing a particular community. With the aid of a brief description of the economy and the situation as I saw it (nothing fancy), and a flip chart, I asked them what they would like to see happen over the next five year period. I would probe, interpret, suggest and clarify (group facilitation) until I elicited definable responses in the form of goals and objectives stated in somewhat measurable terms. Having done this for all six groups, I brought them together in a meeting and reviewed the results. I was able to demonstrate that they all wanted basically the same things which as a group we reduced to five main goals, and later three (jobs, tax base, stability in economy). They were amazed that they could agree on what they wanted.

I then proceeded to take their ideas and my own and formulate a fairly broad based five year plan to which, as a group, they responded. Acting as group facilitator, I was able to get a plan we could all accept, myself included.

I next said that I would attempt to slice off a piece of this for an annual program. Again, this was fairly quickly accepted. I then made clear that this would be our program for the year and I should be held accountable to it, not to every scheme anyone could think up. I could have only one boss (Chairman to the Board) and one program. If changes were to be made, then we should review proposals and if deemed appropriate, adjust the program.

Though everyone agreed, the temptation to have me chase all over the field was great during the first year. But I would constantly bring them back to our agreement and had the Chairman primed to hold them to it.

### Selection of Office:

The Board initially was so divided they could not agree in which community to locate the office and, of course, left the decision to me - a case of damned if you do and damned if you don't. I initiated a process that in effect put the decision back on them and the business community. I suggested I prepare a set of criteria and specifications for their consideration; e.g. size, commercial centre location, etc. without talking about any specific community. They agreed and finally accepted the criteria. I then undertook a quick survey of the banking, major business and real estate communities, and the decision obviously favoured one community and one particular office location. Though one of the larger communities didn't like the choice, they had to go along since they helped establish the criteria and they couldn't hang the decision on me.

### Economic Development Strategy:

Probably the most gratifying experience I had over the years was involving my Board of Directors, a large segment of the community (business, professional, etc.) and the senior levels of government in an exercise that culminated in the establishment of a broadbased economic development strategy action program for the region.

The Miramichi region economy went into a real slump just after the MRDC was established in 1976. I prepared and presented briefs to everyone from the Prime Minister and his Cabinet on down about the extent of the problem and their role in it and responsibility for it. I had media coverage and profile coming out my ears. Both levels of government were finally persuaded to respond by setting up a Task Force, co-chaired by my president and vice-president on which sat Federal and Provincial participants. We hired a co-ordinating consultant and began an active investigation of the area with the notion of bringing forward an action plan.

Because my board and business community had a very limited understanding of the problem, the economy and its potential, I wanted them intimately involved with the process. Without going into detail, we set up nine sector committees (nine to 15 members each) chaired by an MRDC Board member and assisted by myself and the co-ordinating consultant to carry out an investigation of development opportunities for the whole area.

The whole exercise was so successful in stimulating corrective action, educating members and getting development moving that a couple of the sector groups operated for years afterwards. The Premier asked to sit in on forestry sector meetings



and close to \$1 billion in development dollars poured into the region in the ensuing eight years. The Miramichi economy, though still somewhat narrowly based, is strong and enjoying good times once again.

For me, I had a Board that better understood the challenges, the limitations and the community's real needs. That sure makes it easier to develop realistic programs.

### Organization II (MID)

The situation in Moncton is different. When I took the job, I was asked to develop a broad based economic development program. My predecessors were mainly industrial park managers. I inherited a situation that, from an overview (community wide) perspective suffered from serious organizational fragmentation with no overall plan or sense of direction. Personal empires were in place and were not going to be changed overnight. I had to find a way to work around some of this and still get the job done.

I had difficulty at first even getting my executive committee to give me 15 minutes of their time on any matter. I finally had to assert myself, demand more time for talking about the larger issues. The trouble was they said they wanted change (President and Mayor) but I now believe one of them really wanted to preserve status quo.

I put together a marketing and economic development strategy that pretty much captured the way things were with proposed action plans for gradual change. On presenting and discussing the document and providing written progress reports, I began to win over some members of the Board to my thinking. Some began to recognize the need for change.

Though we made inroads, our real chance did not come for nearly two years when a new council was elected. The new Mayor was enthusiastic and cast MID into the lead role (because of the ground work we had done). We gained the support of our neighbouring municipalities and the Province for the establishment of an economic development strategy for Greater Moncton and the Mayor ran with it publicly. We put our people on key development organizations so as to have a common purpose. My Board members sit on a number of development bodies and we really implement our plans and programs through the authority of the Mayor's office (informal channels).

MID headed up the city's downtown core revitalization process and our success in this and other areas gives us considerable influence to

make things happen in keeping with our program goals and aspirations. Again, there is no neat recipe, you must know what you want and seek ways to make it happen. There is always a door open somewhere.

The economy in our community has been performing very well in the past few years and many people recognize the contribution of MID.

### Dealing With Difficult Personalities

**Case I:** Wherein a Board Member went public in criticizing work of MRDC.

This is a case where the General Manager was about three years into the job and very well established and accepted by Board and community at large.

While in Fredericton, our capital at meetings, I received a phone call that one of my Board members, a town councillor (largest town) had gone public in criticizing work of MRDC with respect to not focusing enough attention on his community. His remarks captured headlines in local and provincial papers. I returned home immediately, called my President from the same municipality to inform him I would be holding a press conference at 10 a.m. the next day, and would like him and the V.P. to attend. I told him I would be preparing a press release and countering negative criticism. I prepared an eleven page press statement which tore holes in councillors position, and held a full-fledged press conference the next day. The following evening, the Mayor asked for a meeting to settle matters. It was a tough meeting, but that particular councillor or council never gave me any more serious problems.

**Case II:** Board Member frequently criticizing approach and emphasis of Board and disrupting Board meetings.

This particular person was rather offensive, but part of the "old establishment". My approach was to give him all the rope he wanted and then to wait for the rest of the board to gang up on him. I knew the Chairman did not like the guy, so that made things easier. It became a case of going with his ideas or mine. The Board made the decision to follow our plan.

**Case III:** Board Member wanting to have Staff focus on narrow aspects of job and areas of interest to him.

I usually suggest to the Chairman that he form a committee and ask this person to investigate the

situation. Or I tend to seek him out and ask him to lend his expertise in certain related projects. After his suggestions mean a lot of work for that person, they soon desist from coming up with narrow suggestions. Or they also realize the complexity of the work in which you are engaged.

#### How To Deal With A Different President Each Year?

Make sure you involve Board Members in planning process so they are all aware of program. Seek to have President selected from Executive so he/she has the exposure and experience.

#### How Do You Satisfy Your Board?

Show them you know what you're doing, that you're doing a good job and you can demonstrate the results (state goals and objectives in outcome terms).

### **Conclusion**

There are many ways to approach the job of economic development. However, I firmly believe you need a plan, the ability to communicate and sell, the patience of job, the agressivity of a pit bull terrier, human relations skills, a capacity for hard work and a very positive outlook.