

A Smart Investment in Human Capital

How AchieveMission Helped the Corporation for Supportive Housing Increase Mission Impact



Spring 2012

In her office in New York City, Corporation for Supportive Housing (CSH) CEO Deborah De Santis looked down at the two documents in her hand, one representing the past, the other the future. The organization's latest annual report detailed how over the past decade, CSH had helped communities nationwide create more than 160,000 units of supportive housing, reducing the ranks of the long-term homeless by 45,000 individuals. She was understandably proud of her organization's success.

De Santis then turned to the ambitious new strategic plan she and her team were developing. In it, they had set another highly audacious decade-long goal that would require new programmatic approaches, new funding streams, new partnerships – all requiring capabilities that her team did not yet possess. The promise of these new goals was exciting to consider.

But how was she going to build the leadership team needed to meet this new challenge? How would she reorganize, add new abilities, recruit new people with new skills and in new places?

The last decade had taught her that her team could figure it out – they had done it before. But learning on the fly, through trial and error, had been a painful and risky process and one that she was not keen to repeat. There had to be a better way to achieve her organization's new goals . . . but what was it?

CSH at a Glance

- Year founded: 1991
- Employees: Approximately 100
- Mission focus: Supportive housing
- Offices: Headquarters in New York; 15 offices provide services to 35 states
- Budget: \$20 million
- Work focus:
 - Finance: Operates a \$40M loan fund for supportive housing projects
 - Technical assistance: Improves government agency performance
 - Training: Provides this throughout the national supportive housing sector
 - Policy: Helps shape government approaches to supportive housing

The Challenge

The Challenge of Leadership and Talent Alignment

The quandary described above isn't rare. In fact, the tension between the desire to meet strategic goals and having the staff capacity to do so is all too common in the nonprofit sector.

Nonprofits spend the majority of their operating expenses on staff but rarely invest in ensuring that staff is performing optimally, in a way that aligns with and supports strategic goals. And if a nonprofit staff member can't explain how his or her work is directly contributing the strategic goals of the organization — chances are it's not. This can result in frustration, confusion and underperformance for employees and in higher turnover, stalls in accomplishing goals and a lower return on investment overall for the organization. Even worse, when organizations are on the brink of rapid growth or significant change, misalignment between staff and strategy can wreak havoc with even the best-laid strategic plans.

Fortunately, there are ways for nonprofits to become much more intentional about how they identify, foster and elevate employee talent to directly align with and support strategic goals: in other words, how they undertake the art and science of human capital management.

Talent Initiative: Ensuring That Human Capital Meets Strategic Goals

One way in which nonprofits are improving their human capital management philosophies and practices is through AchieveMission's Talent Initiative, an intensive program that helps organizations deploy the right people in the right way to accomplish their missions. Nonprofits enrolled in Talent Initiative work closely with a team of AchieveMission human capital consultants to redefine the organization's understanding of human capital management and to reinvent its systems and processes for making the most of human talent.

The Talent Initiative is a program of AchieveMission, a nonprofit consulting practice dedicated to helping nonprofit organizations grow and sustain their impact by strengthening leadership and human capital management capabilities. AchieveMission offers Talent Initiative to nonprofits with dozens of employees or thousands, and to those serving single communities or those with a global reach. Nonprofits must apply to take part in Talent Initiative and must pay for consulting services. They also must be willing to commit a significant amount of time to the program over its six-month span.

It's a big commitment and a big undertaking for a busy nonprofit, but for organizations like the Corporation for Supporting Housing (CSH), it's been well worth it.

The Challenge at CSH

In 2012, CSH began to radically rethink the way it delivered services. This meant considerable changes in staffing models, in key skills employees would need and in ways in which the national office communicated and coordinated with its people in the field.

"Up until that point, we had done a lot of work around our strategic plan and its implementation, how we defined impact and how our organizational structure related to future success," explains CSH President and CEO Deborah De Santis. "But we had always stopped short of thinking about staff development and making an investment there. In 2012 the timing seemed right, as we were in the midst of developing a new strategic plan, but it also was daunting to consider doing both at the same time. It was going to be a capacity challenge, but we decided that we could not delay the staff development conversation any longer. With our growing geographic footprint and new sectors, we would need to recruit new talent and realign existing talent, and we wanted to do it the right way."

Snapshot

The Talent Initiative is a six-month program designed for organizations undergoing rapid growth or change. The program helps an organization build the muscle and know-how to:

- Build the leadership and team it needs.
- Ensure that each person in the organization has clear goals and a crisp understanding of how their work supports the organization's priorities.
- Manage and support each person to achieve at his or her maximum potential.

Enrollment in the program is via a competitive RFP process.

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The Annie E. Casey Foundation also took an interest. Having funded the work of CSH and AchieveMission separately, the foundation saw an opportunity to increase the impact of both organizations. “We wanted to test the idea of investing in human capital as a strategy for accelerating results in the housing field,” explains Rafael López, associate director of Talent and Leadership Development at the foundation. “And we wanted to test that idea with an organization that incorporated service delivery, had national outreach and was scaling its work. What would it look like to use an investment in talent as a driver to improve social outcomes for vulnerable families?”

“For the first 15 years of CSH, we had a field-office structure and were not super-adept at reaching communities beyond those our storefronts could serve,” explains CSH Chief of Staff Stephanie Harms. “In 2002, we set a new 10-year strategic goal of producing 150,000 new units of fully funded supportive housing. It was very ambitious, but we made it. However, we soon realized we couldn’t continue to have the impact we wanted without operating differently. We needed to work more in areas where long-term homeless populations were, so we adopted a new strategic plan in 2012 that called for more flexibility in staffing and program delivery. Plus, we wanted to work

with other institutions — like corrections, mental health, veterans, child welfare agencies — that were treating vulnerable people before they became homeless. ‘Working upstream’ in that way required a different skill set from our people. We hired more people who weren’t in physical offices but served as a network of regional consultants. We were coming up with new programmatic solutions, but our human resource practices were still grounded in the old, place-based model. Also, more supervisors were supervising people remotely, but many of these supervisors came from our program staff and didn’t necessarily have any supervisory experience.”

“Adopting this new model of service delivery and programming was a huge leap forward for us in terms of achieving our mission, but it also revealed an opportunity gap in terms of our staffing structure and how we’d need to invest in our people to take advantage of this new opportunity,” adds De Santis.

Just as the CSH leadership team began the 2012 strategic planning process, an email advertising the call for applicants to Talent Initiative ended up in De Santis’s in-box. She discussed the opportunity with her senior leadership team, and they agreed to apply.

“CSH was already doing a good job but wanted to do bet-

ter. Their structure, practices and culture weren’t sufficient for the next level of impact,” says Edith Buhs, a Consultant with AchieveMission who worked with CSH on Talent Initiative. “The programmatic shift from geographic-based expertise to population-based expertise meant a big shift for the organization’s culture and staff. They had done some great work around the ‘what’ and the ‘why’ of their strategic plan, but they needed to also concentrate on the ‘who’ and ‘how’ to support those strategies. When we first met them, the process of making that programmatic shift had stalled. Some parts of the organization felt they were getting left behind, and no one really understood the strategy. They were scattered — but not all the organization’s leaders felt it.”

“CSH certainly was not alone. Most applicants to Talent Initiative are solid organizations that are facing significant growth or change or both. If you’re growing or changing very slowly, you can afford to make mistakes in staffing and human capital management and learn as you go. But when you’re growing or changing more rapidly, you need to get it right the first time,” says James Shepard, President and CEO of AchieveMission.

“Our hope with Talent Initiative is to build a core sense that human capital management is key to how successful non-

profits operate. Talking about this is often a fundamental, big change, and the CEO and board must be visible in the process and actions. But when the work is done, the whole organization understands their roles differently.

“This is not traditional human resources,” he emphasizes. “It’s about how you get your strategy done.”

Buhs seconds that distinction. “Traditional HR is benefits and payroll and annual reviews. It’s administrative, not strategic. It’s a major shift from seeing human capital management as a function of HR to a competency and culture that permeates an entire organization.”

Key to Success

CSH’s recognition that its new strategy would require dramatically different leadership and team capabilities was the key insight that allowed it to act before problems arose, deadlines were missed and key strategic goals were jeopardized.

The Human Capital Management Framework

AchieveMission's human capital management framework provides a grounding philosophy for all of AchieveMission's work and is the central guide for Talent Initiative activities. In the human capital management framework pyramid, an organization's defined goals, strategies and metrics sit at the top. AchieveMission's consultants and clients concentrate on building the leadership and team that can deliver on those goals, strategies and metrics. That leadership and team are built by concentrating on three key qualities: 1) ensuring that there are "A-people" in "A-roles," 2) ensuring that goals are aligned for the entire team and 3) helping the organization optimize performance for all employees.

A-People in A-Roles

"The whole purpose of human capital management is to produce leaders and a team that can deliver on strategy," says Shepard. "When we talk about putting A-people in A-roles, we're not just talking about mixing and matching within the existing structure. We have to define leadership roles in terms of strategic goals. What capabilities must those leaders possess to reach the organiza-

tion's goals? A-people may or may not currently be in an organization, and as outside consultants, we can be very objective about who's who. We can also identify new roles in which existing staff may be more effective. A-people can help define a role, based on the experiences and networks they bring with them. It's more than just 'doing the job.'"

Cascading Goals

Once an organization clearly understands its goals at the top of the pyramid, it must also understand how those strategic goals cascade down through the organization. "Operating goals should support strategic goals, and then department and individual goals align with those," says Shepard. "Often, people's time is not allocated to aligned goals. They may spend far too much time on something that's not essential to meeting the organization's priorities, and that can be costly to an organization. Re-allocating just 10 to 20 percent of people's time correctly can have huge bottom-line implications. Aligned goals also energize employees by allowing them to see the impact of their work on the organization's mission."

Optimizing Performance

Once the right people are in the right roles and understand how their work ties to organizational goals, successful nonprofits create systems to help them perform at their best. Optimized performance includes refining and improving the flow of information, setting expectations for accountability and providing what employees need for better decision making. "We've all worked at organizations where getting things done seem unnecessarily difficult, and others where things just seem to work. When organizations pay attention to optimizing performance, people feel — and are — more productive," says Shepard. "That's also a huge plus for ROI. When people feel better able to achieve their individual goals, the organization is better able to achieve its goals."

Human Capital Processes

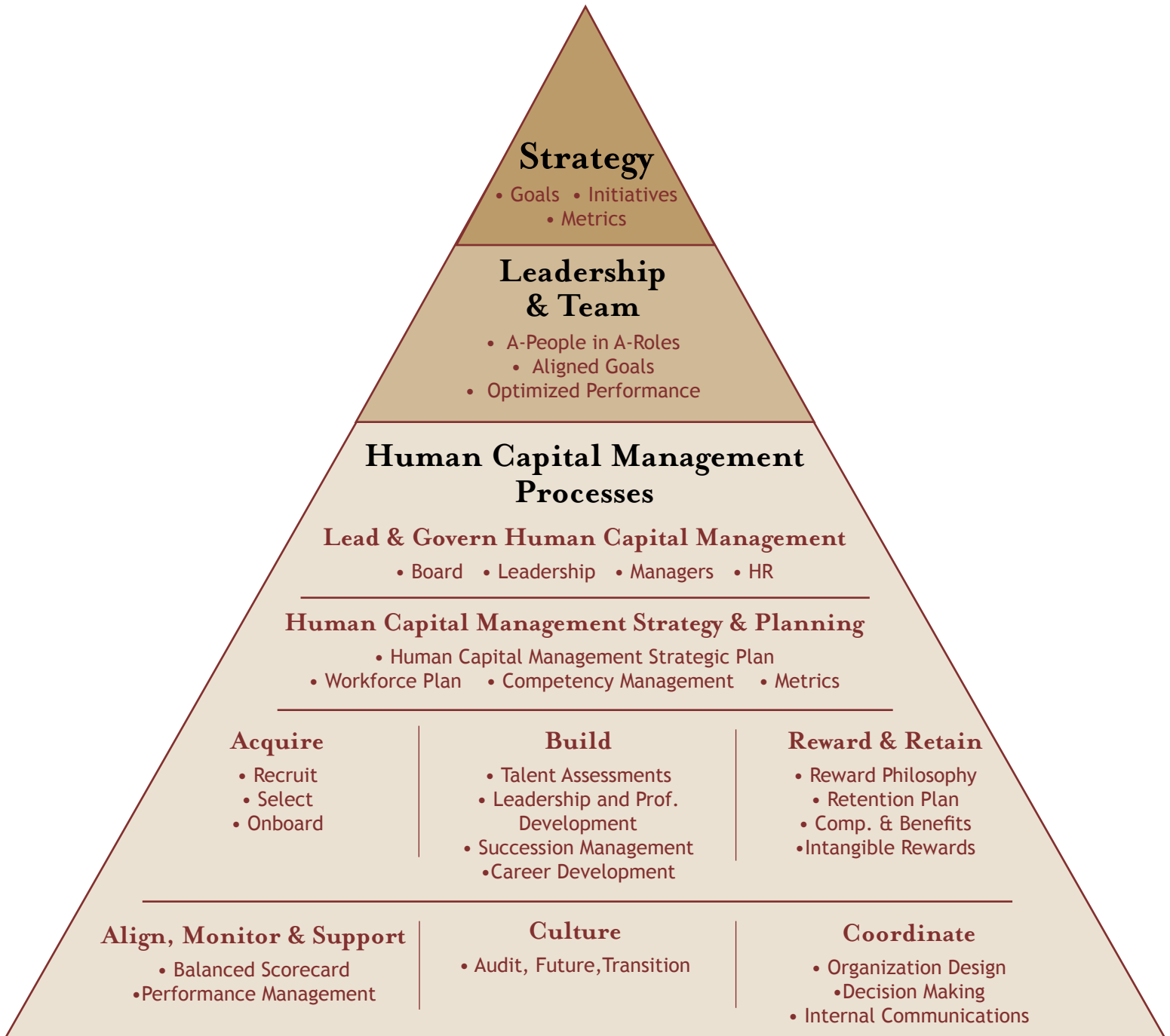
To build an organization's leadership and team in a way that incorporates the three key qualities — A-people in A-roles, aligned goals and optimized performance — the AchieveMission pyramid includes more than 25 human capital management

processes. These range from the familiar (recruiting and professional development) to the unfamiliar (human capital management governance and competencies). "A key point of our model is to show that all of these pieces need to be integrated with each other and tailored to best help the organization build the unique leadership and team it needs," says Shepard. "Sometimes the individual processes — say, onboarding — may be quite strong, while others — such as governance of human capital — are basically missing. Still other processes may be better suited for an organization with a very different strategy. Talent Initiative helps an organization understand the various processes and then build, realign, redesign and strengthen the whole system so that all the pieces are working together."

The remainder of the pyramid addresses tactics, which can vary significantly and are customized for each organization that participates in Talent Initiative.

Elements and Processes of Successful Human Capital Management

AchieveMission has developed this pyramid framework as the basis of its approach to human capital management. All tools and processes support one topmost goal: achieving the organization's strategic goals. This is facilitated by the right leadership team that is knowledgeable about proven human capital management processes, with a clear set of human capital management strategies and a host of tools to deploy as needed.



Key Point

Strategic human capital management allows an organization to implement its strategy by deploying the right people, with the right goals, in an environment that makes achieving goals easier. This makes human capital management quite different from the more administrative HR practices common in the nonprofit sector.

The Solution

Alignment

Discovery

Creating the Solution for CSH: Talent Initiative Discovery, Planning and Implementation

Getting Started

The Talent Initiative includes three core phases of work over a six-month period: discovery, planning and implementation. At the end of it all, organizations have a robust, detailed, three-year plan for addressing a suite of human capital needs. They will have begun to work on some of the plan's components and will know what needs to be done to complete the full plan.

Alignment

Shortly after enrolling, CSH met with the AchieveMission team that would guide it through the Talent Initiative program. The team was led by Partner Mike Markovits, an internationally recognized expert in leadership development, and included Buhs and Associate Harini Angara.

AchieveMission's consultants don't move in, but they do maintain constant communication during the six-month period, from the initial kickoff to the early stages of implementation.

"What I really appreciated was that on day one, when they talked about scope and time line, they emphasized that they would be involved during the first part of the implementation phase," De Santis

remembers. "They knew it was important to not walk away. That really resonated with me, because I've worked with consultants in the past who didn't do that, and it caused angst and strain within the organization. Knowing that implementation would be part of Talent Initiative was a big bonus."

To start, De Santis, Harms and the AchieveMission consultants worked to define a broader CSH team that could be counted on to help the CEO make key decisions during Talent Initiative and later oversee the initiatives that would result from the work. For their part, Talent Initiative clients must create an internal leadership team, called a Human Capital Management Council, to guide the process. More members take part in the Council as Talent Initiative progresses.

Discovery

The Discovery phase is just that: AchieveMission consultants dig into dozens of documents, conduct surveys of all employees and have deep conversations with managers identified as project leaders for Talent Initiative work. AchieveMission's consultants also conduct a series of human capital management seminars for the client's leadership team, including reading, reflection and conversation about what human capital management means for their organization.

"Our discovery process included a nice mix of interviews

that felt very balanced," says Harms. "And the staff survey engaged our employees at every level, so everyone felt involved. The best part was how quickly they understood us. It felt like they had really read all the documents we sent and truly understood what we were trying to do, what our business model was and how it evolved. They did so much, and more quickly than other consultants."

From their deep discovery, Talent Initiative consultants develop a comprehensive set of findings for presentation and discussion at a daylong retreat with the leadership team.

"In our findings presentation, we go through what we've found in their organization as it relates to our framework," explains Markovits. "At the same time, we educate them about best practices in each area and highlight both their strengths and the places where they could improve. We then present our recommendations for five to seven areas of focus in their human capital management plan. There's a lot of group discussion about those, and the focus areas usually change somewhat."

In CSH's case, the findings retreat identified six areas where new or improved processes would help the organization align human capital to achieve strategic goals: leadership and governance of human capital management, internal communication, staff development, performance manage-



Planning

ment, a competency model and workforce planning.

“The transparency of the findings presentation and discussion was very disarming,” says De Santis. “Our consultants explained to us that the issues that were enumerated by staff were not unique to CSH, but what was unique was our willingness to coalesce as a leadership team to address the issues and be more intentional about change management. I can see where an organization might get uncomfortable with this, but they talked us through every step. It helped all of our leaders see the organization’s big picture.”

“Some things were very affirming,” Harms agrees. “We’ve used a cascading goals structure for a number of years, and it was nice to see a high number of individuals who felt their work aligned with our national priorities.”

But the findings presentation also brought to light some areas where CSH hadn’t realized it needed work. For example, when CSH submitted its Talent Initiative application, it listed creating a model for employee competencies as a primary goal. But CSH’s leaders also learned through the process that the organization needed to improve communications related to internal projects, such as rolling out a new financial system or timekeeping software.

Implementation

“We also were surprised to learn that while employees felt valued, there was considerable difference in perspectives among average, high and highest performers,” Harms explains. “Many felt that other employees were not held to the same standards. It wasn’t clear what people really needed to do to advance and to develop, or that performance measures were equally calibrated across the organization. In other words, there was inconsistency around performance management.”

Planning

Once a client’s findings are presented, the AchieveMission consultants and the client project team agree on core components of the human capital management plan.

“Human capital management plans are grounded in supporting the organization’s strategy and get down to very tactical details,” explains Markovits. “In the case of CSH, we knew we needed to define what a manager will be and do in three to five years, the competencies needed, succession plans and how everything is tied to strategic goals. We define the steps to take in each area: goals, tasks, roles, key actions and costs.”

Depending on the client, AchieveMission consultants draft the entire plan or coach client teams through the creation of each segment. CSH had six different planning teams — one for each area of

improvement identified in the findings retreat. Some teams were led by the consultants and some by staff. Each team spent three to four weeks drafting its portion of the plan, using resources about best practices supplied by AchieveMission.

“The planning work group setup was a breath of fresh air,” says Ryan Moser, a managing director for CSH’s Eastern region, who took part in the staff capacity-building work group. “The approach was very task-oriented, defined and structured. Mike [Markovitz] and Edith [Buhs] provided tidbits of information, including readings, before each meeting and offered review and reflection time. They moved our group from soliciting ideas to identifying capacity gaps and interests. It was helpful because we’re creative people, but we don’t always focus on addressing issues. They really engaged us with the work in a time-oriented, focused way. It wasn’t the same old group that always talks to one another, but a cross-agency group based on skills and interests, with no one person driving the conversation. We got good feedback and ideas.”

At the end of the process, the entire planning team, plus additional CSH staff members, gathered at a retreat to present their portions of the full plan to one another.

“The planning retreat is where the Human Capital Management Council sees all parts of the plan for the first time,”

Close

says Markovits. “There’s some heavy discussion, particularly around the sequence of events, as so many of the plan components are interdependent. For example, CSH needed to incorporate both competencies and performance management practices, but which should they focus on first?”

After a month of work, CSH emerged with a three-year human capital management plan and was ready to dive into implementation.

Implementation

The final two months of the Talent Initiative process are reserved for implementation, guided closely by AchieveMission’s consultants, who work closely with senior staff to move the new human capital management plan from concept to reality. In the case of CSH, Buhs and Markovits delivered training, conducted a talent review, facilitated meetings and provided council and review for CSH staff.

The implementation phase also provides an opportunity for ongoing learning for AchieveMission, according to Markovits. “For AchieveMission, being closely involved in the beginning of implementation during Talent Initiative helps us build our own library of services, training, resources, etc., that we can customize, perfect and use more effectively.”

Two parts of the implementation resonated especially deeply with CSH staff: a talent review to determine and assess the talent currently available (or not) within the organization, and training for supervisors about how to have forward-focused career conversations with their direct reports.

The talent review engaged department leaders and senior leaders in assessments of individual performance for all employees. Using a “nine-box” as a tool (see illustration above), the leaders held group discussions to ensure their own alignment of views and perspectives about the performance and potential of each employee. From there, CSH leaders created lists of potential successors for key positions.

“We asked, ‘Who could do your job today? Who is one job away? Two jobs away?’” says Markovits. “We found successors were available for most slots, and we also looked at the possibility of moving people between departments. If there were no internal candidates, we looked to outside ones. We plotted out experiences for those who were one or two jobs away and figured out ways to connect to the outsiders who might make good additions to CSH.”

“I loved the talent review activity,” remembers De Santis. “I got a lot out of it, and the oth-

Performance Assessment

High Professional High Performance Low Potential	Current Star High Performance Medium Potential	Super Star High Performance High Potential
Solid Professional Medium Performance Low Potential	Key Player Medium Performance Medium Potential	Future Star Medium Performance High Potential
Underperformer Low Performance Low Potential	Inconsistent Player Low Performance Medium Potential	Rough Diamond Low Performance High Potential

Potential Assessment

This sample “nine-box” is just one of many tools used by CSH and AchieveMission to assess the current strengths, potential and gaps in existing talent.

ers did, too. Edith and Mike helped us facilitate it, and they didn’t let us avoid anything. They kept us on task. After one talent review conversation, a supervisor came away saying, ‘I thought everyone was doing a great job, but now I have a better understanding of where gaps are and where I can help them.’ In an organization where there are so many different supervisors, it’s hard to create consistency around measuring and rating performance. Our talent review conversation helped everyone identify and recognize how this organization defines bright stars and how to help others become bright stars.”

Once CSH had identified the talent in place, they needed a way to foster it while keeping it aligned with the organization’s goals. CSH had not had organized career conversations with staff in the past, only typical performance reviews that mostly looked at events

retrospectively. To change that, Buhs trained supervisors in how to have development-focused career conversations — conversations that would help align career plans with individual aspirations and create road maps for experiences that help build skills.

“When CSH first looked at issue of performance reviews, they thought they needed to rewrite their forms,” Buhs explains. “That’s typical for systems-focused organizations. Our goal is to shift the focus away from the systems (rearranging boxes) and toward the conversations and people involved. We helped CSH make their performance reviews more forward-focused by investing in the quality of the conversation and relationship building. Their reviews now are more focused on goals going forward. They aren’t isolated events but are aligned with ongoing strategy. We laid out for them how to pre-

pare, how to choose topics for conversation, how to focus on conversation and connection and how to connect it all to the bigger picture.”

“The training on development-focused career conversations was really helpful and made a huge impact on our staff,” says Harms. “In some cases, we trained managers one day and they did their midyear reviews the next day. That way, it becomes much less theoretical and more hands-on and relevant to immediate, everyday experiences.”

“My supervisor and I have had more direct conversations about my career aspirations,” says Moser. “I’m not a real planner, so it’s interesting to have someone ask me about aspirations and to think in a different way. It’s energizing.”

Impact & Lessons Learned

“Soon we’ll have a new management structure that will reduce the number of layers we have in some parts of the organization and put some science behind how many direct reports each supervisor has. Per our new plan, an alternative to making someone a supervisor will be to make them a content expert or go-to in a particular area for the organization.”

CSH finished the six-month Talent Initiative program in mid-2012 and is still working away at its implementation plan, says De Santis. “There are some things we’ve implemented, some that are very much on track and we’re behind a bit on a couple,” she admits. “The challenge is making the time to have the necessary conversations with a cross-section of our staff — but it’s not a huge challenge.”

De Santis shares one example of how CSH’s work with Talent Initiative has already influenced thinking to produce strong results in the organization’s workforce and succession planning. “The Director of our Innovations Unit recently left for a position in the federal government. Prior to Talent Initiative, we would have been in a crisis mode, not knowing how to handle the transition. But with Talent Initiative, we had gone through a succession planning effort. We identified current staff who could be promoted into more senior positions and we identified external candidates for those same positions. We also identified core capacities for key positions within our organization. And because we did this prep work, we were more proactive and less reactive in filling that director position.”

As the implementation unfolds, both CSH leaders and AchieveMission consultants continue to reflect on what

they learned. For example, CSH is taking a good, hard look at its internal communications and management structure — and creating a culture of accountability.

Communication

“The whole conversation and exploration around communication was very illuminating,” says De Santis. “I realized that just because I’m on a conference call and I say something doesn’t mean it gets disseminated. I assumed there was a flow that clearly was not consistent. I learned that I needed to do a better job about communicating my expectations.”

“Also, we were inconsistent in how we were communicating about the rollout of new systems or tools internally, particularly in our IT area. We’ve discovered that part of the problem was that we weren’t doing any testing before rollouts, so we began to set expectations for testing first, then rolling out more intentionally.”

Management Structure

“In 2013, we’re reviewing recommendations about our management structure and flow,” says De Santis. “We have a lot of managers with just one direct report. It was a way of promotion in the past. Soon we’ll have a new management structure that will reduce the number of layers we have in some parts of the organization and put some science behind

how many direct reports each supervisor has. Per our new plan, an alternative to making someone a supervisor will be to make them a content expert or go-to in a particular area for the organization.”

“CSH had a structure with a handful of supervisors with lots of reports, and many more supervisors with just one or two,” says Buhs. “That makes for weak supervisors and a layer of control that’s spread too thin. And that makes it hard to change things and cascade them through the supervisory level, which makes for low ROI. We’ve found the same pattern with other clients that are using promotion to a manager role as a retention tool.”

Examining management structure was an eye-opener in terms of the difference between leadership and supervision. “Now I have a much better understanding about the differences between being a great leader and being a great supervisor,” says Harms. “Great leaders go out and are the face of an organization and create change in communities, but they can be bad supervisors. Great supervisors have different competencies.”

Accountability

For CSH, one huge benefit of going through Talent Initiative has been the ability to create a culture of accountability — a longtime goal of De Santis’s.

"It's important to me that everyone have a common understanding of accountability. I've been trying to demonstrate to people in my own actions that performance discussions should be commonplace, so that we're not waiting around for reviews. We should always be talking about our own performance and our organizational performance in a positive, supportive way. While I've tried to do that myself in the past, now I'm clear that it's the expectation for everyone and I've been modeling it. That's been a change for me."

Her actions are paying off. "Yesterday I had a conversation with a colleague and was able to give feedback I'd been delaying," says Harms. "Now we know our CEO feels more comfortable with a higher bar, so the rest of us do, too."

Change the Conversation, Change the Culture

Making human capital management part of an organization's culture begins and ends with changing conversations within an organization, says Buhs. "The value of the implementation phase isn't in revising tools but shifting conversations. We've learned to spend more time with senior leaders and their alignment with one another and with the manager level directly beneath them, helping them adopt those new conversation skills. That has turned out to be very important; it forces them to

own the work and ultimately creates more buy-in from their reports."

This observation rings true with CSH.

"I feel like we gained some tools we needed to reset the bar for ourselves in terms of leadership, performance, development issues and how we want to support staff for future success," says De Santis. "Talent Initiative helped us create a platform to have those conversations and back them up with resources in a way we could not before. We always think we're great, but this helped us see all the work we still needed to do, in a very constructive and productive kind of way."

"I've been struck by how different the conversation is," says Harms. "After one training Edith did, I had a follow-up call from a manager who said, 'That training made me realize that I've been managing a report around what they could do, versus what the job needs that employee to do. Can you walk me through that?' That never would have happened before. It's one of many subtle signs that our culture is changing. It takes time, and you have to reinforce and nurture, but this was a definite shift in a supervisor's mind-set."

The Challenge of Time

The biggest challenge in undertaking Talent Initiative at CSH was time.

"The amount of staff time needed for the discovery and planning stages was much less than what's needed for implementation," says Harms. "We front-loaded the first two months of our implementation with a hope for quick wins, but there just wasn't the staff capacity to deliver. If I were to do it over, I would have had a lot more blocks of time reserved on people's calendars in advance.

"Incorporating human capital management ideas is really a cultural shift, and you can't do that in two weeks or two months. The things we need to work on are not the easy things. You can start changing tone, message and behaviors, but you can't change everyone's opinion immediately. Our challenge will be managing staff expectations for the longer term, to secure that lasting culture shift."

Learning from Clients: How Talent Initiative Improves with Experience

The Talent Initiative has received high marks from participants. In the first cohort, participants indicated that Talent Initiative offered a "very high impact" in making their organizations better able to fulfill their missions, and almost all indicated a "high interest" in continuing to work with AchieveMission. But AchieveMission isn't resting on its laurels.

With every client engagement, says CEO James Shepard, AchieveMission consultants use the experience to improve their own approach and processes. Things that may not have worked so well during one experience are reconsidered and refined for the next. In 2013, AchieveMission welcomed the fifth cadre of participants to Talent Initiative, incorporating lessons and suggestions from experience.

"We made dramatic changes from the first release to the second, and from the second to the third. In the past year or so changes have become more gradual since the core program is now so reliably strong," says Shepard. "The first and second cohorts were described as 'pilots' and 'early releases,' and those clients received significantly subsidized pricing to reflect our stage of development. We're now on cohort five. All the bugs are out. It just works. But we continue to hone and improve each cohort."

"In working with CSH and other clients, we've learned that we need to be working with more than just senior leaders," says Buhs. "At CSH, we brought in the next layer of regional directors, those who weren't at headquarters but would have the most responsibility for implementation.

Now we do this more often and we're always prepared to add to a group thoughtfully and strategically. The group grows as the process grows."

AchieveMission also has listened to CSH's suggestion that resources become more plentiful and readily available.

"It felt a little like AchieveMission was building their tool kit and resource library as we needed the resources," says Harms. "Many things seemed to be created on demand rather than existing in stock. It wasn't so much of an issue when they were still here, but our plan is for three years, so we'll eventually be doing work by ourselves. Part of Talent Initiative includes getting access to those resources as alumni. It's been good to see all the investments they've made since we graduated. Anything we've asked for they now seem able to provide."

"It would have been helpful to have more case studies of how other organizations have done this well — show staffing plans, supervision arrangements and the like," adds Moser. "We would have gotten further if we'd had more concrete examples to pull from."

In response, AchieveMission has developed a seminar reading program as part of Talent Initiative, backed by a growing library of resources to improve learning.

AchieveMission consultants have also learned to ask more questions up front to uncover any potential hurdles. "After going through two rounds of Talent Initiative, we learned

to dig deeper into our own alignment with clients," says Markovits. "We've learned to address specific questions about things going on that might affect our work and deliverables, such as the amount of resistance or dissatisfaction that may lie below the surface. Although it wasn't an issue with CSH, if we don't ask these deeper questions it can become easy to veer off course from what they really need."

AchieveMission also has added new aspects to Talent Initiative to help its client organizations achieve success. For example, starting with the third cohort in 2012, participants enjoyed more assistance in communicating the program's steps and successes throughout the organization. A coaching component, added in the third cohort, is helping CEOs and executive directors take on new roles and skills. The fourth cohort had much stronger support to build evaluation metrics with which to chart progress.

Other program improvements are always under consideration. For example, AchieveMission is exploring how best to implement an idea presented by De Santis about bringing the CEOs from all Talent Initiative cohorts together after the program ends so that program alumni can better continue their learning collaboratively.

Learning from Grantees

As a funder of both CSH and AchieveMission, the Annie E. Casey Foundation added to its own learning about both the promise and the challenges of talent development during this process.

"We are pleased with the positive impact that Talent Initiative work has had for CSH," says López. "One of the most valuable takeaways we have had from this experience is the lesson about changing conversations and culture. CSH has started to prioritize and embrace the critical role of talent and leadership development. That's great for those specific organizations that fit the Talent Initiative program model, but how do we expand that conversation more broadly, so that it resonates throughout the entire nonprofit sector? How do we convince more grantmakers and grantees to think of human capital management as something just as vital and valuable as funding? Ultimately, we want to build evidence in the sector for more clearly drawing the connection between making an investment in talent and achieving greater mission impact."

"In working with CSH and other clients, we've learned that we need to be working with more than just senior leaders. At CSH, we brought in the next layer of regional directors, those who weren't at headquarters but would have the most responsibility for implementation. Now we do this more often and we're always prepared to add to a group thoughtfully and strategically. The group grows as the process grows."

New Strategic Alignment

Strategically Aligned for a New Era

Participation in Talent Initiative has changed the way CSH's leaders see their organization — and left them highly optimistic about their ability to achieve their mission and increase their impact going forward.

“I think differently now about the people I work with,” says De Santis. “I take the time to have a real conversation, when before I was always focused on outcomes. Now I'm more concerned about where they are personally, what they're learning, where they see themselves down the road. I feel like I have more ownership than I did in the past. I knew I wanted the culture at CSH to change, and because we took part in Talent Initiative, I feel like it is changing — not because I said

it had to, but because people want it to and they see the benefits. They're thinking about their own development and that of their colleagues.”

“The Talent Initiative is probably one of the most important things we've undertaken in the past several years, and probably the next several,” says Moser. “It's really opened the door for a higher level of professional accountability and created a huge opportunity to develop deeper relationships with peers and coworkers. And the conversations I've had with my staff have opened up my eyes a little as to what people's interests really are. They've encouraged me not to make assumptions about people and what their roles should be. It feels like a veil has been lifted.”

“There was a time about four years ago when I really did wonder if we'd be able to do

what we wanted to do,” Harms remembers. “Now, I have so much confidence that we'll make the leaps we need to with our organizational structure to do the high-impact work across the country we want to do. It feels like a huge piece of the puzzle has come together and we'll really have the managers, culture and skills in place to face what's ahead and create the change we want to create.”

The staff members at CSH aren't the only ones who are enthusiastic about the experience. “The Casey Foundation invested not just to prove that Talent Initiative is an organizational growth strategy but also that it's a way to improve results that matter for our nation's most vulnerable,” says López. “CSH is providing leadership in the housing sector. We're happy about how they've taken in human capital management as part of their overall strategy. They have the right people, at the right time, to deliver on their organizational strategy. They've taken on human capital management as a cultural element at a key time in their development. And they're helping to build evidence for the field that investing in talent results in improved organizational performance and accelerated results for the children and families served by CSH. All of this is music to our ears.”



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About the Partners

Putnam Community Investment Consulting, Inc., is a national, award-winning philanthropy consulting firm that helps foundations increase impact through smarter grantmaking. Since 1999 they have helped more than 30 foundations and funder networks develop and launch new grantmaking initiatives, evaluate impact and communicate results. Learn more at putnamcic.com.

The Annie E. Casey Foundation is a private charitable organization, dedicated to helping build better futures for disadvantaged children in the United States. The Foundation believes that an essential step toward supporting child and family services is developing and positioning individuals to lead institutions and systems toward improving outcomes for disadvantaged children and families. Casey's adoption of a talent management approach to leadership development for staff, grantees and communities ensures that both the Foundation and the public sector are ready for transition into the next decade with the strongest talent available. Learn more at aecf.org.

AchieveMission seeks to dramatically increase the impact achieved by nonprofits and the social sector by enhancing the sector's perception and practice of human capital management. AchieveMission pursues its mission in four ways: offering consulting services to exemplary nonprofits and foundations through Talent Initiative and customized Consulting and Advisory Services, advancing the field through thought leadership, developing technology that supports effective implementation of human capital management best practices, and collaborating with complementary organizations and initiatives to speed all of these approaches. Learn more at achievemission.org.

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