

Canadian Fundraising Leadership Survey¹

Mikhael Bornstein, MA, CFRE

June 20, 2019

¹ I am grateful to the Association of Fundraising Professionals (AFP) Foundation for Philanthropy – Canada for their support of this research.

Acknowledgements

The author would like to thank the AFP Foundation for Philanthropy – Canada for their support and for being patient beyond all reasonable expectations. Without their generous funding, this research would not have been possible.

I would also like to thank Hilborn:ECS for their support. In particular, I would like to thank Jim Hilborn for his early encouragement of this research. As well, I would like to thank Mary Singleton for all her hard work and assistance. This research would not have been possible without her.

I would like to thank Mariya Yurukova for her early reviews of the survey. Her initial feedback and edits help improve the survey significantly.

Finally, I would like to thank my wife, Angel Narick. It is not possible to fully express my gratitude for her selfless support of my career and academic explorations.

Executive Summary

In the fall of 2018, a research study was conducted, with the support of the AFP Foundation for Philanthropy – Canada, exploring the impact of leadership style in the Canadian fundraising community.

Objectives

The primary objective of this research project is to understand how leadership style impacts fundraising organization in a Canadian context. There will be three main learnings that will emerge from this research.

1. How frequently are different leadership styles – authentic, transactional, transformational, passive-avoidant, and toxic – practiced within the Canadian fundraising community?
2. What impact does leadership style have on fundraising results within the Canadian fundraising community?
3. What is the impact of leadership style on staff satisfaction and staff turnover?

Methodology

This quantitative research project consisted of a survey targeting 13,000 Canadian fundraisers. 248 responses were received.

A research survey was developed using three well-established and reliable leadership research tools: The Authentic Leadership Questionnaire, the Multifactor Leadership Questionnaire, and the Toxic Leadership Scale, Short Form. These tools allowed the scoring of five distinct leadership styles including authentic leadership, transactional leadership, transformational leadership, passive-avoidant leadership, and toxic leadership. In addition, the survey asked participants questions about their experience, employer, fundraising results, and fundraising budget.

With the assistance of the Hilborn:ECS, three waves of email were sent to 13,000 Canadian Fundraisers inviting them to take part in the survey. The emails were distributed on October 16, 2018; October 23, 2018; and November 13, 2018. In addition, social media was used to distribute the survey invitation.

The survey results were analyzed to determine the frequency of leadership styles within the sector and the impact of leadership style on employee perceptions of leader effectiveness, fundraising results (specifically cost of fundraising), and employee turnover.

Results

According to the survey results, positive leadership styles – including authentic leadership, transformational leadership, and transactional leadership (Contingent Reward) – were the most commonly reported experienced leadership styles in the Canadian fundraising community with between 50% and 71% of respondents reporting these leadership behaviours as occurring “fairly often” or “frequently, if not always.”

Negative leadership styles – including toxic leadership, passive/avoidant leadership, and transactional leadership (management by exception active) – were less common in the Canadian fundraising community with between 11% and 30% of respondents reporting these leadership behaviours as occurring “fairly often” or “frequently, if not always.”

The results of the survey show that leaders who use positive leadership styles – authentic leadership, transformational leadership, and transactional leadership (contingent reward) – are more likely to

- be perceived as more effective by their followers
- have followers who are more satisfied with their leadership
- have followers who are more willing to exert extra effort on their behalf

- have followers who are less likely to intend to seek, or have sought, other employment

Furthermore, leaders who use negative leadership styles – passive/avoidant leadership, transactional leadership (management by exception active), and toxic leadership – are more likely to

- be perceived as less effective by their followers
- have followers who are less satisfied with their leadership
- have followers who are less willing to exert extra effort on their behalf
- have followers who are more likely to intend to seek, or have sought, other employment

Finally, the survey found that leadership style has no significant impact on cost of fundraising.

Recommendations

Based on the participant responses and the review of the relevant literature, three broad recommendations emerge from this report.

Recommendation 1: Canadian fundraising leaders be encouraged to – and rewarded to – avoid passive/avoidant leadership and actively engage in leadership activities.

Recommendation 2: Canadian Fundraising leaders be encouraged and trained to practice authentic and transformational leadership styles.

Recommendation 3: Canadian fundraising leaders be encouraged and trained to avoid toxic leadership behaviours.

Leadership development

Leadership development need to be driven from organization's boards and senior leadership. There are, however, a growing number of leadership development opportunities within Canada. Canadian business schools and academic institutions are increasing their course offerings in non-profit management and leadership. As well, there are a number of non-profits – such as the Ontario Non-profit Network and Leadership Victoria – that are offering leadership development opportunities. Finally, we are increasingly seeing leadership workshops and presentations at major fundraising conferences.

Table of Contents

Acknowledgements	2
Executive summary	3
Background	8
Research Tools	9
Authentic Leadership Questionnaire	9
Multifactor Leadership Questionnaire	9
Toxic Leadership Scale	10
Leadership Styles	10
Authentic leadership	11
Four dimensions of authentic leadership	12
Transformational leadership	12
Five dimensions of transformational leadership	13
Transactional leadership	14
Two dimensions of transactional leadership	14
Passive/avoidant leadership	15
Two dimensions of passive/avoidant leadership	16
Toxic leadership	16
Five dimensions of toxic leadership	17
Measuring outcomes	18
Employee perceptions of leadership effectiveness	18
Leadership and employment	19
Leadership and fundraising	19
Positive and negative leadership styles	20
Expectations of positive leadership styles	20
Expectations of negative leadership styles	21
Research Focus	21
Research Methodology	22
Methodology	22
Analysis	23
Ethics	24
Survey Respondents	24
Results	25
Frequency of leadership style	25
Leadership style and employee perceptions of leader effectiveness	27
Leadership Style and employee career plans	37
Leadership style and cost of fundraising	45
Limitations of Research	49
Discussion and Conclusions	50
Frequency and impact	50
Cost of fundraising	52
Employee turnover	53
Recommendations	54
Developing leadership styles	55
References	56
Appendix A – Recruiting Email	59
Appendix B – Sample Questions from the Authentic Leadership Questionnaire	60
Appendix C – Sample Questions from the Multifactor Leadership Questionnaire	62
Appendix D – The Toxic Leadership Scale, Short Form	64
Appendix E – Other Questions	65
Appendix F – Demographic tables	66
Appendix G – Data statistics	70

Background

Research has shown that leadership practices and style can affect staff satisfaction, employee turnover, and organizational effectiveness (Bass, B. & Bass, R., 2008). Research has also shown that best leadership practices vary with culture, organizational structure, and socio-economic context.

While leadership is one of the most comprehensively researched social influence processes (Parris & Preachey, 2012) there has been very little scholarship to date on the impact of leadership on fundraising results. Further, there has been no research exploring the impact of leadership style on the effectiveness of fundraising organizations within a Canadian context.

Weinstein (2004) has argued that fundraising leaders should aspire to a transformational style of leadership, but until now there has not been a comprehensive examination of how frequently different leadership styles – such as authentic, transformational, transactional, toxic, or passive-avoidant leadership – are actually practiced within the fundraising community.

Burke (2004) and Pitman (2016) have both looked at leadership and fundraising. Neither, however, explored the impact of leadership style. And, while both researchers reported Canadian participants in their research, neither reported results looking at a Canadian, as distinct from an American, perspective.

Understanding how fundraising leadership is currently practiced in a Canadian context is particularly important for three reasons. First, we are at the beginning of a dramatic demographic shift as Baby Boomers enter retirement age (Pitman, 2016). This is coupled with inadequate succession planning that will leave charities struggling (Cave, 2016).

Second, there is a popular perception that the Canadian fundraising community suffers from bad leadership which contributes to poor fundraising results and high staff turnover (Green,

2015). A better understanding of what drives turnover in the Canadian fundraising sector is particularly urgent as it is perceived as one of the critical issues in the sector. As Burke (2013) says, “Nine out of ten Development Directors who manage fundraising staff feel that the rate of turnover in their organizations is a problem.”

Finally, there is a concern that our current leadership skills are insufficient to meet the needs of organizations in our sector (Cave, 2016). Understanding how leadership style drives employee turnover and fundraising results will allow the community to improve leadership practice, leadership training, and leadership recruiting.

Research tools

In this study we use three well-established research tools to measure leadership style: the Authentic Leadership Questionnaire (ALQ), the Multifactor Leadership Questionnaire (MLQ), and the Toxic Leadership Scale (TLS).

Authentic Leadership Questionnaire

Developed by Avolio, Gardner, and Walumbwa (2007), the Authentic Leadership Questionnaire is a survey of employees to measure the level of authentic leadership behaviors demonstrated by leaders. The survey is comprised of sixteen items grouped into four major subscales: self-awareness, transparency, moral/ethical, and balanced processing. Most academic research since the development of the ALQ has used it to measure levels of authentic leadership (Gardner, Cogliser, Davis, & Dickens, 2011). Please see Appendix B for sample questions from the ALQ.

Multifactor Leadership Questionnaire

Developed by Avolio and Bass (2004), the Multifactor Leadership Questionnaire is a survey completed by employees to measure the leadership behaviours of supervisors. The MLQ

is comprised of 36 questions exploring leadership behaviour and 9 questions exploring leadership outcomes. The MLQ measures three leadership styles: transformational leadership, transactional leadership, and passive/avoidant leadership. The MLQ has been validated across many cultures and types of organizations (Walumbwa, Lawler, Avolio, & Wang, 2003). It is commonly used for leadership development and research. Please see Appendix C for sample questions from the MLQ.

Toxic Leadership Scale

In 2006 Andrew Schmidt developed the Toxic Leadership Scale (TLS) to define and measure toxic leadership. In its original form, the TLS comprised 30 questions divided into 5 sub-scales: Self-promotion, abusive supervision, narcissism, authoritarian leadership, and unpredictability. In 2014 Schmidt developed and validated a short form of the TLS which comprised 15 questions. In this study we used the short version of the Toxic Leadership Scale. Please see Appendix D for a sample of the Toxic Leadership Scale short form.

Leadership styles

Bass (2008) defines leadership style as the way that leaders pattern their interactive behaviours with those they influence. The style approach focuses on the behaviour of the leader (Northouse, 2010). This distinguishes it from the trait approach, which emphasizes the characteristics of the leader, and the skills approach, which emphasizes the capabilities of the leader.

In this study we explored the impact of five well-defined leadership styles – authentic leadership, transformational leadership, transactional leadership, passive/avoidant leadership, and toxic leadership – on leader effectiveness, employee turnover, and fundraising results.

Authentic leadership

“My current boss is the most genuine person I know. Her compassion for her team instills loyalty and the desire to succeed. She is strategic yet flexible in her work, and is not afraid to ask her team for input should problems arise. She is amazing!” - Survey participant describing their best leadership experience

Walumba, Avolio, Gardner, Wernsing & Peterson (2008) define authentic leadership as “a pattern of leader behavior that draws upon and promotes both positive psychological capacities and a positive ethical climate, to foster greater self-awareness, an internalized moral perspective, balanced processing of information, and relational transparency on the part of leaders working with followers, fostering positive self-development.”

According to Bass (2008), authentic leaders display characteristics of honesty, humility, as well as having passion and living their values. Research shows that authentic leaders build trust with their staff because authentic leaders demonstrate their values through their actions, they do what they say they will do, they tell the truth, and are concerned for their follower’s development. They articulate a clear, values-based vision. Authentic leaders are seen as being willing to sacrifice their interest for the common good.

Table 1 – Examples of authentic leadership behaviours

Authentic leadership behaviours
Acts in ways consistent with values
Admits mistakes
Clearly communicates values
High ethical standards
Honesty
Humility
Listens carefully
Seeks differing opinions
Shows genuine emotion

Four dimensions of authentic leadership

The Authentic Leadership Questionnaire measure authentic leadership using four distinct dimensions: transparency, moral/ethical, balanced processing, and self-awareness (Avolio, Gardner & Walumba, 2007). The transparency scale measures the extent to which the leader says what they mean, admits mistakes, encourages everyone to speak, and tells the truth. The moral/ethical scale measure the extent to which a leader not only makes decisions based on their core values but also acts in a way consistent with those values. The balanced processing scale measure the extent to which a leader solicits information and listens carefully to different points of view before coming to conclusions. The self-awareness scale measures the extent to which the leader is aware of their strengths and weaknesses and the how their actions impact others.

Transformational Leadership

“The best leader I have had to date is my current leader. I really feel one of her greatest assets is her patience. She allows me to talk through issues when I need to decide on a course of action even though she could tell me immediately what it should be. I'm quite sure that many times she had ideas on how to solve an issue or a problem but she allowed me the time to get there and then gives me all the credit. This just demonstrates how highly she values my skills and opinions and that she trusts me to do my job well. She is always appears calm and rationale even during times of high stress and expectation.” - Survey participant describing their best leadership experience

According to Northouse (2010) transformational leadership focuses on developing and transforming followers. Transformational leadership focuses on emotions, values, ethics, standards, and long-term goals. Transformational leaders have positive expectations of followers. As a result, they inspire and stimulate followers to exceed normal levels of performance. Transformational leaders also focus on the personal needs and development of their followers.

Transformational leaders build trust with their staff by acting as a coach and mentor, encouraging independent problem solving, and communicating an inspiring vision.

Table 2 – Examples of transformational leadership behaviours

Transformational leadership behaviours

Inspires followers
 Inspires a positive vision
 Talks about values
 Allows others to demonstrate leadership
 Puts interests of followers first
 Encourages creativity
 Works to change the organizational culture
 Coaches and mentors employees

Five dimensions of transformational leadership

The Multifactor Leadership Questionnaire measures transformational leadership using five distinct scales: Idealized attributes, idealized behaviours, inspirational motivation, intellectual stimulation, and individual consideration. The idealized attributes scale measures how often the leader builds trust, inspires pride, and puts the interests of their followers first. The idealized behaviours scale measures how often the leader talks about values, inspires a positive vision, and acts with integrity. The inspirational motivation scale measures how often the leader motivates and inspires their followers. The intellectual stimulation scale measures how often the leaders encourage creativity, innovation, and independent problem-solving. The individualized consideration scale measures how often the leader provides a supportive climate, acting as a coach and mentor and helping followers reach their full potential (Bass & Avolio, 2004).

Transactional leadership

“A leader who articulated clear goals and then communicated each team member's role in meeting those goals. Holding us accountable for results and rewarding top contributors to team successes” – A survey participant describing their best leadership experience

Transactional leadership is described as a series of transactional exchanges between leaders and followers. Transactional leaders provides rewards and punishments to the followers who, in return, provide service and loyalty. At its heart, transactional leadership is the carrot and stick approach. Unlike transformational leaders who are future focused and seek commitment from their followers, transactional leaders try to maintain the status quo and seek compliance (Northouse, 2010).

Table 3 – Examples of transactional leadership behaviours

Transactional leadership behaviours
Promises rewards for achieving goals
Rewards successful employees
Reinforces organizational culture
Appeals to follower self-interest
Tracks mistakes or errors
Punishes employees who make mistakes

Two dimensions of transactional leadership

The Multifactor Leadership Questionnaire used two distinct scales to measure transactional leadership: Contingent reward and management by exception active.

Contingent reward measures the positive transaction: the carrot. This scale measures how the leader clearly communicates expectations, provides rewards for goal achievement, and expresses satisfaction when expectations are met (Bass & Avolio, 2004).

Conversely, management by exception active represents the punitive transaction: the stick. This scale measures how actively the leader monitors the mistakes of the followers and

takes corrective action. Leaders who use management by exception active will also often remind followers of past mistakes. One common concern is that transactional leaders often create “in-groups” and “out-groups” among employees (Jackson & Parry, 2011).

Transactional leaders build trust by clearly communicating expectation and providing rewards. Transactional leaders can also destroy trust when they focus on punishing mistakes and creating in and out groups among their staff.

Passive/avoidant leadership

“Someone who was absolutely passive in their involvement in not only the fundraising strategies and department but in the entire organization. She would show no support nor would she challenge anyone's direction. This led to complete disharmony within the organization and every person just doing whatever they wanted without consideration or thought to how it would affect another department or another team member.” -A
Survey participant describing their worst leadership experience.

Where other leadership styles are defined by a specific set of behaviours, passive/avoidant leadership is defined by the lack of leadership behaviours. Passive/avoidant leaders either fail to demonstrate any leadership behaviours or only demonstrate leadership when absolutely necessary.

Passive/avoidant leaders destroy trust by failing to provide direction, make decisions, or support employees. Followers often feel ignored or abandoned by passive/avoidant leaders. They learn they cannot rely on passive/avoidant leaders for support or direction.

Table 4 – Examples of passive/avoidant leadership behaviours

Passive/avoidant leadership behaviours
Waits for problems to appear (reactive)
Avoids making decisions
Avoids giving directions
Refuses to take responsibility

Two dimensions of passive/avoidant leadership

The Multifactor Leadership Questionnaire used two distinct scales to measure passive avoidant leadership: Passive management by exception and laissez-faire leadership. Passive management by exception means avoiding action until mistakes or problems can no longer be ignored. Laissez-faire leadership is defined as the absence of leadership altogether (Bass & Avolio, 2004).

Toxic leadership

“She belittled, humiliated, and bullied staff. She would expect you to work 24/7. She would call at 4 AM and expect an answer. She was abusive and there was very high turnover in the organization.” – Survey participant describing their worst leadership experience

Schmidt (2006) defines toxic leadership as a “unique set of leadership behaviors that negatively impact the subordinate group in predictable ways.” Toxic leadership is different than a lack of leadership (passive/avoidant leadership) or ineffective leadership in that it actively harms both the followers of the leader and the group surrounding them. According to Schmidt toxic leadership can be understood as five distinct sets of toxic behaviours: Self-promotion, abusive supervision, narcissism, authoritarian leadership, and unpredictability.

It is an uncomfortable reality, however, that toxic leadership can often produce short-term results (Schmidt, 2015). These results often come with the longer term consequences high staff turnover and a toxic work environment.

Table 5 – Examples of toxic leadership behaviours

Toxic leaders
Put personal interests ahead of those of the group
Claims credit for their employee's work
Publically reprimand their staff
Shout, curse, and emotionally abuse their staff
Work to gratify their ego at the expense of their staff
Micro-manage their staff
Refuse to delegate work
Are inconsistent in their behaviour

Five dimensions of toxic leadership

The Toxic Leadership Scale defines five dimensions of toxic leadership: Self-promotion, abusive supervision, narcissism, authoritarian leadership, and unpredictability (Schmidt, 2008).

Self-promoting leaders act in ways that promote their own interests above and beyond the interest of the groups they are leading. They frequently take all the credit for their team's success and their employees' good work. They blame employees for mistakes and deflect responsibility for errors.

Abusive Supervision was defined by Tepper (2000) as "sustained display of hostile verbal and nonverbal behaviors, excluding physical contact." When leaders publicly humiliate and emotionally abuse their staff they are practicing abusive supervision.

Rosenthal and Pittinsky (2007) argue that narcissistic leadership occurs when the leader is motivated by their ego and self-perception. Narcissistic leaders put their self-image ahead of the needs and interests of their employees and their organizations. They have an unrealistically positive view of themselves and their ideas (Schmidt, 2015). They often ignore and minimize their employees' suggestions. Narcissistic leaders also assume they are above the rules and may ignore policies and procedure.

Cheng, Chou, Wu, Huang, and Farh (2004) define authoritarian leadership as “behavior that asserts absolute authority and control over subordinates and demands unquestionable obedience from subordinates.” Authoritarian leaders micromanage their employees. It’s “their way or the highway.” They don’t empower their staff to take ownership of the work and are often unwilling to delegate (Schmidt, 2015).

Unpredictability is a unique trait among toxic leaders (Schmidt, 2015). Often, toxic leaders will be warm and welcoming one moment, then vicious and cruel the next. Employees never know what kind of behavior to expect and are challenged to develop effective coping mechanisms. Unpredictability magnifies the negative effect of other toxic behaviours.

Toxic leaders destroy trust by actively harming their employees.

Measuring outcomes

In order to determine the impact of leadership, the survey asked questions exploring three sets of outcomes: leadership effectiveness, employment intentions, and fundraising results.

Employee perceptions of leadership effectiveness

The Multifactor Leadership Questionnaire measures leadership effectiveness using three distinct scales: Effectiveness, generates satisfaction, and generates extra effort (Bass & Avolio, 2004).

Effectiveness measures the frequency in which leaders are perceived by their employees as being effective when interacting at different levels of the organization. Leaders who score high on this scale are perceived by their followers as being better able to get the job done.

Generates satisfaction measures the frequency in which followers are satisfied with their leader's working style. Leaders who score high on this scale are perceived as having a leadership style that is in compatible with and meets the needs of their followers.

Generates extra effort measures the frequency in which leaders are perceived to be able to influence their followers to do more than expected. Leaders who score high on this scale are perceived as being able to frequently inspire their follower to go beyond expectations.

These three measures provide a good understanding of the employee's perception of their leader. Follower perceptions are critical to evaluating leadership. Jackson and Parry (2011) make the point that it is followers who define and validate leadership, "If followers do not recognize it as leadership, it isn't leadership."

Leadership and employment

In order to determine the impact of leadership style on employee retention and turnover, the survey asked several questions exploring respondent's career intentions. These questions included, "Which of the following best describes your current career plans?" and "In the past 12 months have you looked for a job with another employer?"

These questions allowed us to determine whether employees had looked or were planning to look for work. Please see Appendix E for a list of questions included in the survey.

Leadership and fundraising

In order to determine the impact of leadership style on fundraising results, participants were asked questions about their organization's fundraising budgets and revenue. These questions included, "Approximately how much money did your organization raise in donations from all sources during the last fiscal year?" and "Approximately, what was your organization's fundraising budget during the last fiscal year?"

These questions allowed us to determine the impact of leadership style on the cost of fundraising. Please see Appendix E for a list of questions included in the survey.

Positive and negative leadership styles

Broadly speaking, the leadership styles explored in this project can be grouped into two categories: Positive leadership and negative leadership. Positive leadership styles are those that build the employee's trust in the leader and include authentic leadership, transformational leadership, and the contingent reward scale of transactional leadership. Conversely, negative leadership styles are those that destroy the employee's trust in the leader and include passive/avoidant leadership, the management by exception active scale of transactional leadership, and toxic leadership.

Table 6 – Positive and negative leadership styles

Positive leadership styles (Build the employee's trust in the leader)	Negative leadership styles (Destroy the employee's trust in the leader)
Authentic Leadership	Passive/Avoidant Leadership
Transformational Leadership	Toxic Leadership
Transactional Leadership (Contingent Reward)	Transactional Leadership (Management by Exception Active)

Expectations of positive leadership styles

Based on the theory and research of leadership, we would expect that leaders with higher scores on the positive leadership styles – authentic leadership, transformational leadership, and transactional leadership (contingent reward) – will

- be perceived as more effective by their followers
- have followers who are more satisfied with their leadership
- have followers who are more willing to exert extra effort on their behalf

- have followers who are less likely to intend to seek, or have sought, other employment
- have lower fundraising costs

Expectations of negative leadership styles

Based on the theory and research of leadership, we would expect that leaders with higher scores on the negative leadership styles – passive/avoidant leadership, transactional leadership (management by exception active), and toxic leadership – will

- be perceived as less effective by their followers
- have followers who are less satisfied with their leadership
- have followers who are less willing to exert extra effort on their behalf
- have followers who are more likely to intend to seek, or have sought, other employment
- have higher fundraising costs

Research Focus

The primary objective of this research project is to understand how leadership style impacts fundraising organization in a Canadian context. There will be three main learnings that will emerge from this research.

1. How frequently are different leadership styles – authentic, transactional, transformational, passive-avoidant, and toxic – practiced within the Canadian fundraising community?

Documenting the frequency of leadership styles will help us understand how leadership is currently practiced within the Canadian community and create a benchmark that can be used to track changes in leadership practices over time.

2. What impact does leadership style have on fundraising results within the Canadian fundraising community?

Understanding the impact of leadership style on fundraising outcomes will empower leaders to improve their leadership and fundraising results. This will also enable the development of more effective leadership development programs within the sector. Finally, it will improve recruiting practices by enabling charities to better match their candidates' leadership styles to the actual requirements of the job.

3. What is the impact of leadership style on staff turnover?

Understanding the impact of leadership style on staff turnover will empower leaders to improve staff turnover in their organizations. Leader behaviour has a significant impact on employee turnover (Selden & Sowa, 2015). It has long been a truism that, "Employees don't leave jobs, they leave managers."

Research Methodology

Methodology

This quantitative research project consisted of a survey targeting 13,000 Canadian fundraisers. 248 responses were received.

A research survey was developed using three well-established and reliable leadership research tools: The Authentic Leadership Questionnaire, the Multifactor Leadership Questionnaire, and the Toxic Leadership Scale, Short Form. These tools allowed the scoring of five distinct leadership styles including authentic leadership, transactional leadership, transformational leadership, passive-avoidant leadership, and toxic leadership. The survey also allowed for the scoring of sub-scales within each leadership style. Please see Appendix B for sample questions from the Authentic Leadership Questionnaire, Appendix C for sample

questions from the Multifactor Leadership Questionnaire, and Appendix D for the complete Toxic Leadership Scale short form.

In addition, the survey asked participants questions about their employer, including geographic location, philanthropic sector, number of paid fundraisers, fundraising results, and fundraising budget. Please see Appendix E for the list of questions. The survey was coded and hosted on the SurveyMonkey.com platform.

With the assistance of the Hilborn:ECS, three waves of email were sent to 13,000 Canadian Fundraisers inviting them to take part in the survey. The emails were distributed on October 16, 2018; October 23, 2018; and November 13, 2018. Please see appendix A for a copy of the recruiting email. In addition, social media was used to distribute the survey invitation. Social media users who shared the invitation include the primary researcher, The Association of Fundraising Professionals, the Canadian Association of Gift Planners, and many individual Canadian fundraisers, most notably, Paul Nazareth.

248 useable responses were received.

The survey results were analyzed to determine the frequency of leadership styles within the sector and the impact of leadership style on employee perceptions of leader effectiveness, fundraising results (specifically cost of fundraising), and employee turnover.

Analysis

A leader was defined as practicing a specific leadership style or sub-score if they were reported as demonstrating the behaviours of that style “fairly often” or “Frequently, if not always.” The percentage of leaders practicing each style was calculated.

To determine the impact of leadership style on the outcomes of leadership, employee turnover, and cost of fundraising, linear regression models were developed. The coefficients of correlation and coefficients of determination are presented in the results section.

Ethics

The research was conducted in compliance with all relevant ethical guidelines and best practices. This included the AFP Code of Ethical Principles, Donor Bill of Rights, AFP Foundation for Philanthropy – Canada Research Committee Ethics Guidelines, and the Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans. This included informing participants of the purpose of the research, their right to withdraw from the research at any time, and that their data will be held in the strictest confidence.

Survey Respondents

The survey respondents were comprised of Canadian fundraisers, including respondents from all regions and all charitable sectors in Canada. The respondents included professionals with a wide range of experience and a variety of roles within the fundraising community.

There was representation from all regions in Canada although 66% of respondents were from Ontario and 41% of respondents were from the Greater Toronto Metropolitan Area. The organization represented operated from a local to an international scope, with 42% of organizations operating at a local scale.

There were respondents from all charitable sectors in Canada, although more than half of respondents worked in the hospital, social service, or higher education sectors.

There were respondents from different sizes of organizations. 62% of respondents worked for organizations that raised more than \$3 million per year and 41% worked for organizations that raised more than \$10 million per year.

There were respondents from a variety of positions. Senior positions like CEO, Chief Development Officer, and Vice-president Development accounted for 29% of respondents. Mid-career positions like Director of Development, Associate Director, or Program Manager accounted for another 42.2% of respondents. Consultants accounted for 5.6% of respondents.

Respondents reported a wide range of experience, from less than a year through to more than 30 years of experience. 53% of respondents reported being in the profession for less than 15 years.

Respondents also reported on the time spent with their current employer. 53.4% reported being with their current employer for four years or less. 8.1% reported being with their current employer for 15 years or longer.

The majority of respondents were women with 78% of respondents reporting their gender as female and 22% of respondents reporting as male. There were no respondents who reported a non-binary gender.

Please see Appendix F for a detailed breakdown of the demographics of the respondents.

Results

Frequency of leadership style

All leadership styles exist on a continuum with leaders demonstrating the behaviours associated with each leadership style with varying degrees for frequency from “not at all” to “frequently, if not always.” For the purpose of this discussion, we characterized a leader who demonstrated the behaviours associated with a leadership style “fairly often” or “frequently, if not always” as practicing that leadership style. It is also important to note that the five leadership styles are not mutually exclusive. A leader can, for example, practice both authentic and transformation leadership.

Table 7 – Frequency of leadership style

Leadership Style	Sub-scale	Frequency
Authentic Leadership	Transparency	61.2%
	Moral/Ethical	69.3%
	Balanced Processing	54.3%
	Self-Awareness	50.0%
Transformational Leadership	Idealized Attributes	62.2%
	Idealized Behaviour	67.7%
	Inspirational Motivation	70.6%
	Intellectual Stimulation	50.6%
	Individual Consideration	50.6%
Transactional Leadership	Contingent Reward	58.5%
	Management by Exception Active	23.3%
Passive/Avoidant Leadership	Management by Exception Passive	20.0%
	Laissez-faire	11.3%
Toxic Leadership	Abusive Supervision	13.7%
	Self-Promotion	20.8%
	Narcissistic	30.3%
	Authoritarian Leadership	19.6%
	Unpredictability	22.6%

According to the survey results, the most commonly reported experienced leadership style in the Canadian fundraising community was transformational leadership with a majority of leaders reported as “fairly often” or “frequently, if not always” demonstrating the behaviours of that leadership style. In fact, according to the survey, a majority of fundraising leaders practice positive leadership styles.

The least frequently reported experienced leadership style was passive/avoidant leadership with only 20% of respondents reporting this leadership styles as being experienced “fairly often” or “frequently, if not always.”

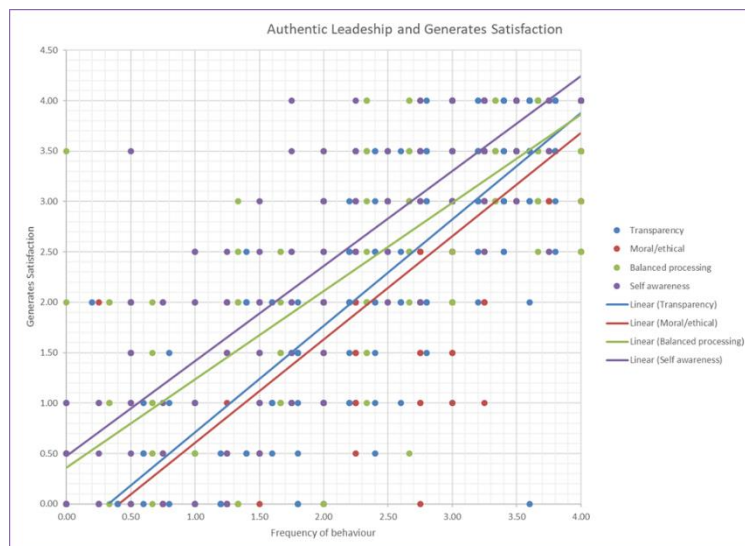
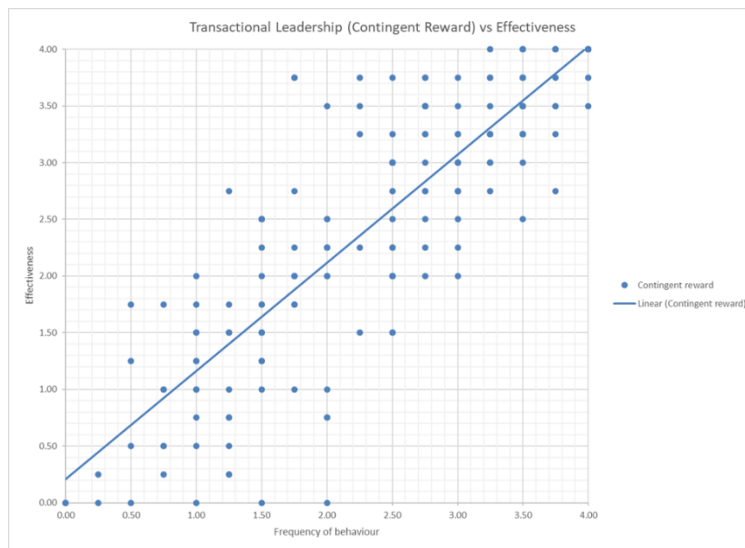
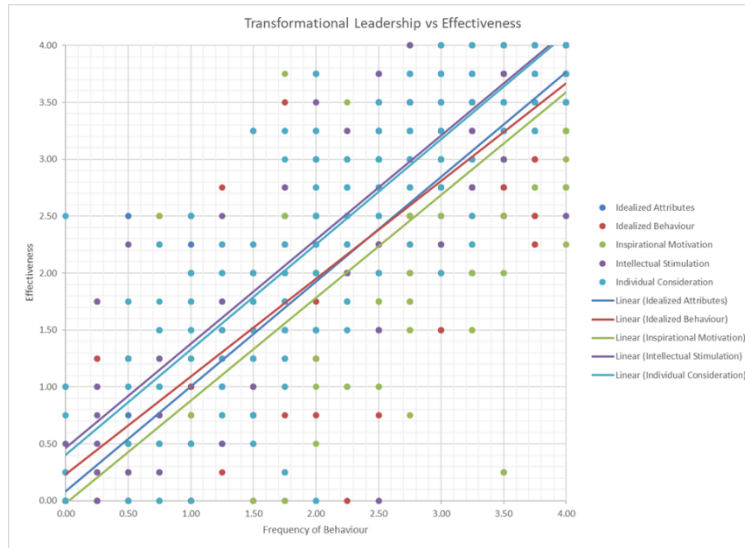
According to the survey, negative leadership styles, including toxic leadership, are reported as being experienced “fairly often” or “frequently, if not always” by between 10% and 30% of respondents in the Canadian fundraising community. This is comparable to the findings

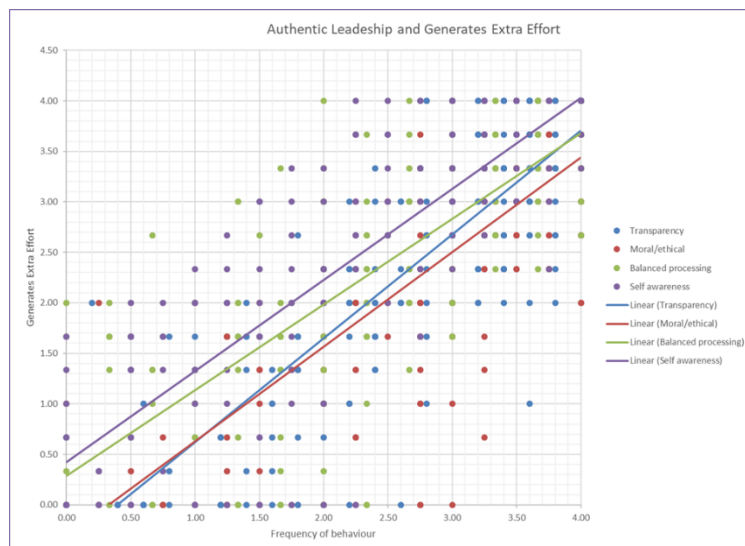
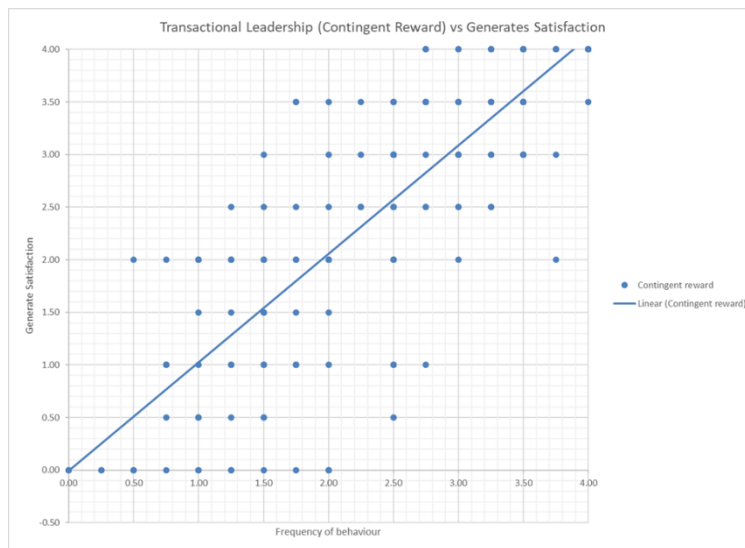
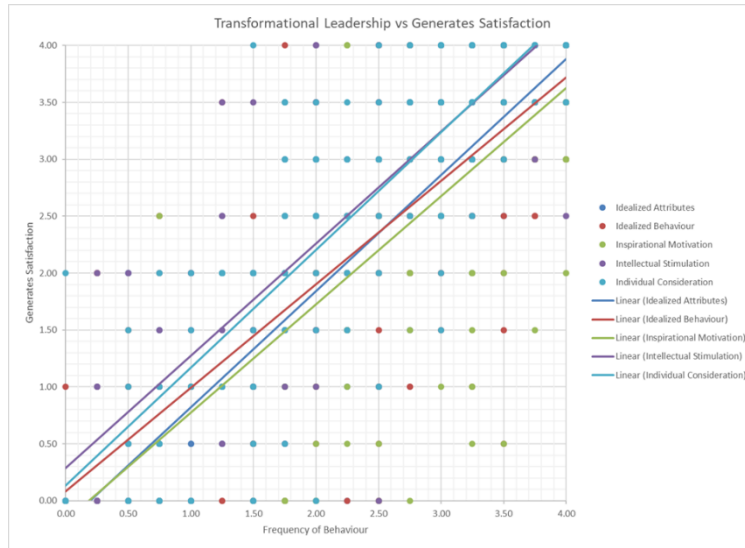
in other sectors. For example, Veldsman (2016) reported that toxic leadership is practiced by between 20% and 30% of leaders in organizations across the world.

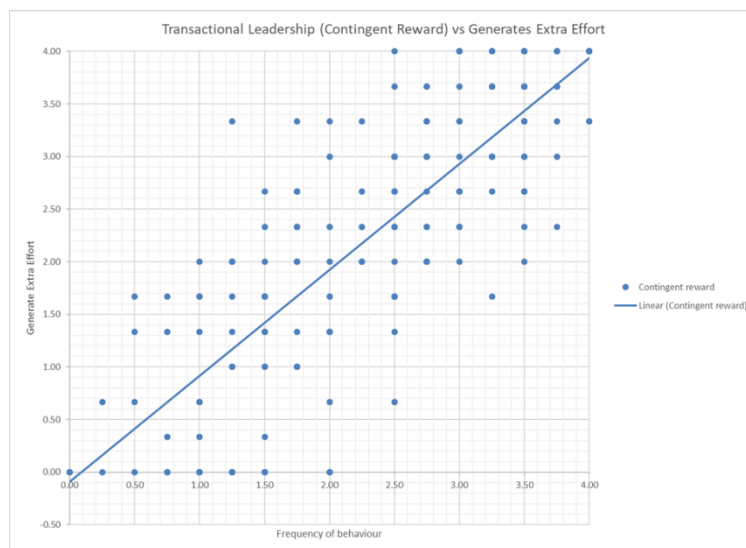
Leadership style and employee perceptions of leader effectiveness

Consistent with our expectations, positive leadership styles were positively correlated with the three outcomes of leadership: Effectiveness, generates satisfaction, and generates extra effort. Leaders who were scored higher in authentic leadership, transformational leadership, and transactional leadership (contingent reward) were perceived by their employees as being more effective, able to inspire extra effort, and using a leadership style that was compatible with their employees.









This finding was consistent across all positive leadership styles and all dimensions of positive leadership. The strength of the relationship was quite strong with positive leadership styles explaining between 62% to 79% of the variation in responses in effectiveness, 55% to 77% of the variation in responses in generates satisfaction, and between 62% and 79% of the variation in responses in generates extra effort. The coefficients of correlation and the coefficient of determination are listed below.

Table 8 – Effectiveness and positive leadership style

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Authentic Leadership	Transparency	0.9619	0.7188
	Moral/Ethical	0.9384	0.7464
	Balanced Processing	0.8116	0.6919
	Self-awareness	0.8449	0.7215
Transformational Leadership	Idealized Attributes	0.9201	0.7864
	Idealized Behaviour	0.8596	0.6199
	Inspirational Motivation	0.9034	0.6490
	Intellectual Stimulation	0.9154	0.7599
	Individual Consideration	0.9236	0.7335
Transactional Leadership	Contingent Reward	0.9539	0.7313

Table 9 – Generates satisfaction and positive leadership style

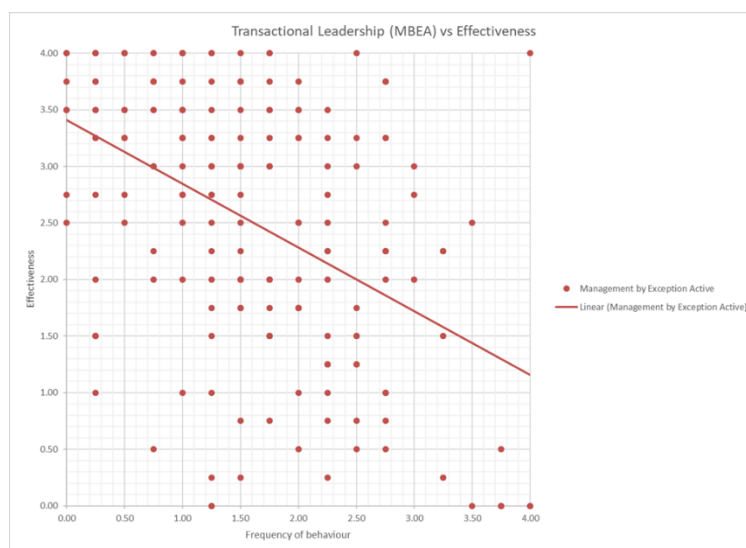
Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Authentic Leadership	Transparency	1.0555	0.6977
	Moral/Ethical	1.0254	0.7184
	Balanced Processing	0.8758	0.6494
	Self-awareness	0.9423	0.7234
Transformational Leadership	Idealized Attributes	1.0208	0.7737
	Idealized Behaviour	0.9079	0.5525
	Inspirational Motivation	0.9511	0.5751
	Intellectual Stimulation	0.9860	0.7047
	Individual Consideration	1.0352	0.7365
Transactional Leadership	Contingent Reward	1.0305	0.6792

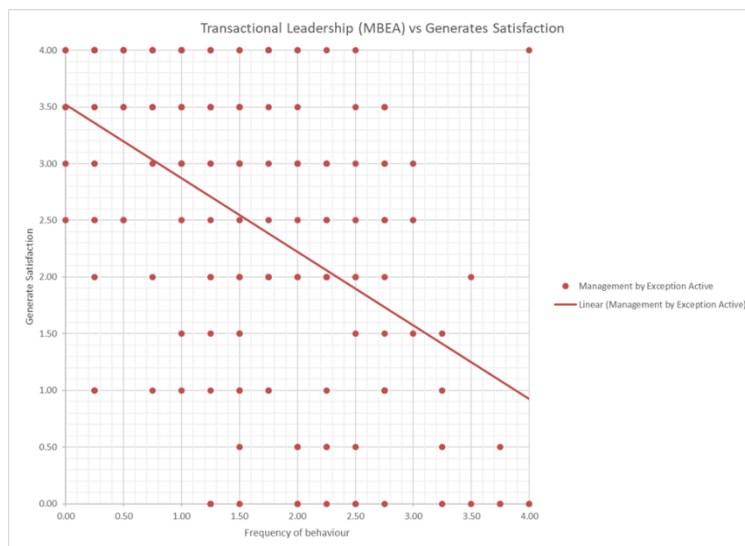
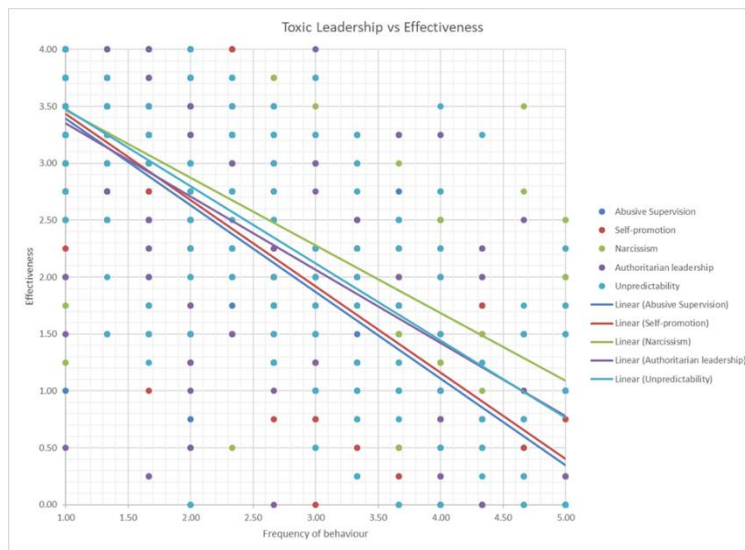
Table 10—Generates extra effort and positive leadership style

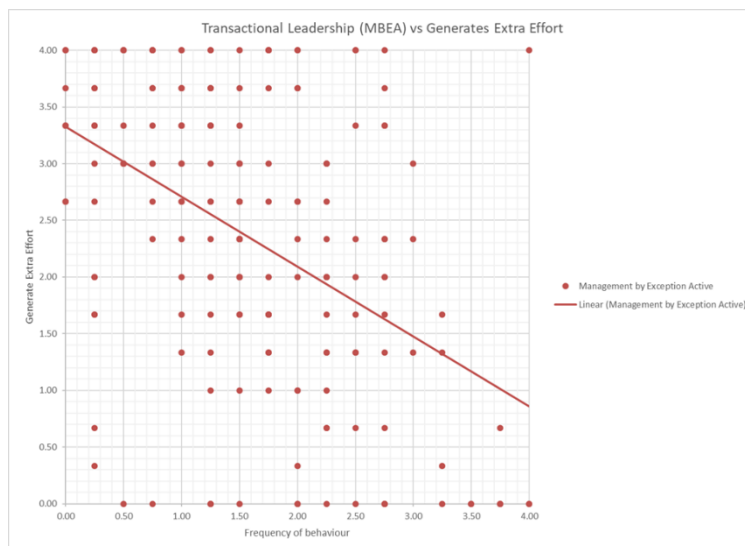
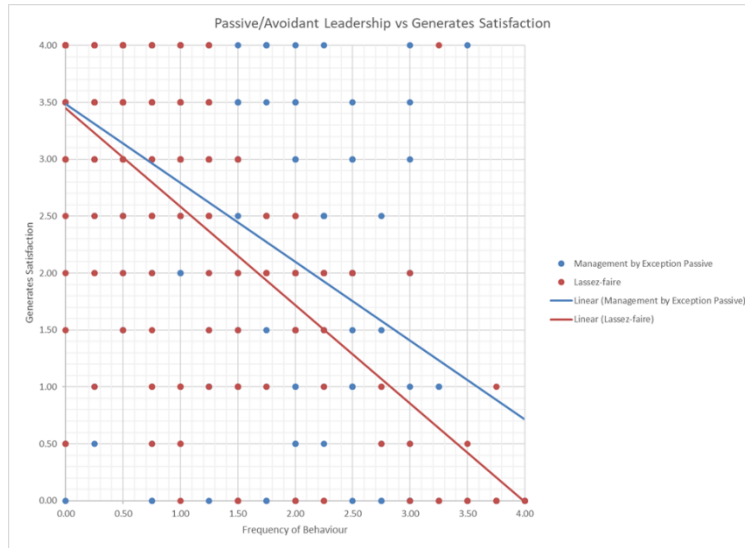
Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Authentic Leadership	Transparency	1.0291	0.6877
	Moral/Ethical	0.9383	0.6237

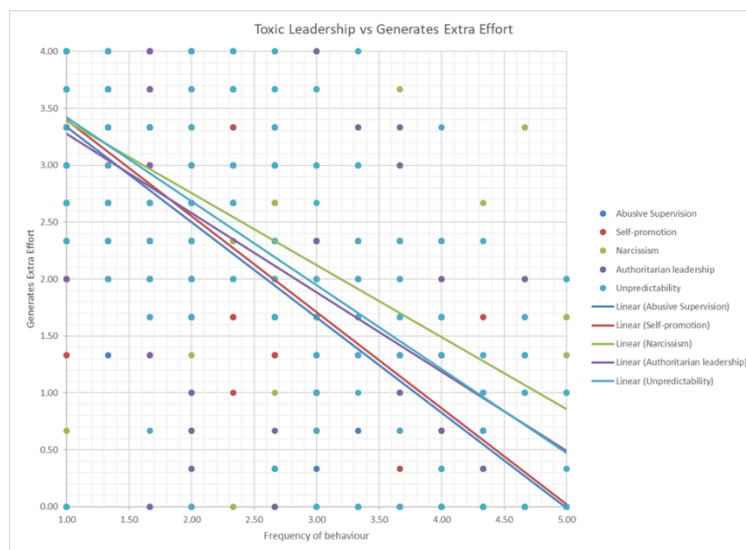
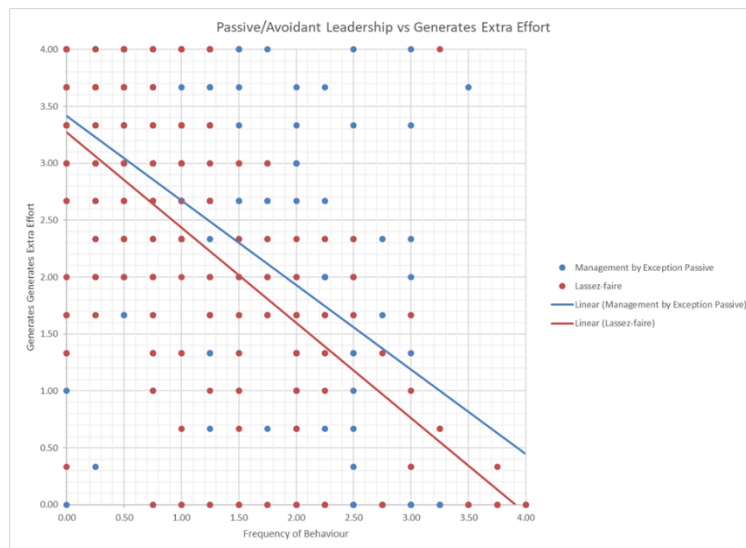
Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
	Balanced Processing	0.8481	0.6315
	Self-awareness	0.9017	0.6868
Transformational Leadership	Idealized Attributes	0.9954	0.7509
	Idealized Behaviour	0.9446	0.6108
	Inspirational Motivation	0.9866	0.6313
	Intellectual Stimulation	0.9992	0.7387
	Individual Consideration	1.0138	0.7211
Transactional Leadership	Contingent Reward	1.0073	0.6713

Furthermore, consistent with our expectations, negative leadership styles were inversely correlated with the three outcomes of leadership: Effectiveness, generates satisfaction, and generates extra effort. Leaders who were scored higher in toxic leadership, passive/avoidant leadership, and transactional leadership (management by exception active) were perceived by respondents as being less effective, less able to inspire extra effort, and using a leadership style that was incompatible with their employees.









This finding was consistent across all negative leadership styles and all dimensions of negative leadership. The strength of the relationship was quite strong with negative leadership styles explaining between 29% to 67% of the variation in responses in effectiveness, 23% to 68% of the variation in responses in generates satisfaction, and between 21% and 68% of the variation in responses in generates extra effort. The coefficients of correlation and the coefficient of determination are listed below.

Table 11 – Effectiveness and negative leadership style

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Transactional Leadership	Management by Exception Active	-0.5632	0.2132
Passive/Avoidant Leadership	Management by Exception Passive	-0.6815	0.2869
	Laissez-faire	-0.8207	0.4892
Toxic Leadership	Abusive Supervision	-0.7622	0.5359
	Self-Promotion	-0.7576	0.6716
	Narcissistic	-0.5950	0.4522
	Authoritarian Leadership	-0.6428	0.4644
	Unpredictability	-0.6779	0.5287

Table 12 – Generates satisfaction and negative leadership style

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Transactional Leadership	Management by Exception Active	-0.6502	0.2261
Passive/Avoidant Leadership	Management by Exception Passive	-0.6927	0.2370
	Laissez-faire	-0.8644	0.4340
Toxic Leadership	Abusive Supervision	-0.8878	0.5717
	Self-Promotion	-0.8569	0.6756
	Narcissistic	-0.7101	0.5064
	Authoritarian Leadership	-0.7502	0.4974
	Unpredictability	-0.8174	0.6046

Table 13 — Generates extra effort and negative leadership style

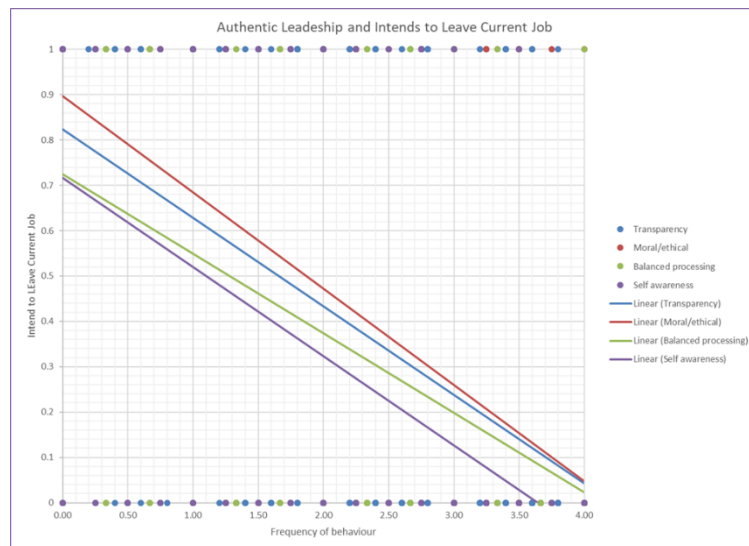
Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Transactional Leadership	Management by Exception Active	-0.6172	0.2107
Passive/Avoidant Leadership	Management by Exception Passive	-0.7429	0.2818
	Laissez-faire	-0.8371	0.4208
Toxic Leadership	Abusive Supervision	-0.8368	0.5233

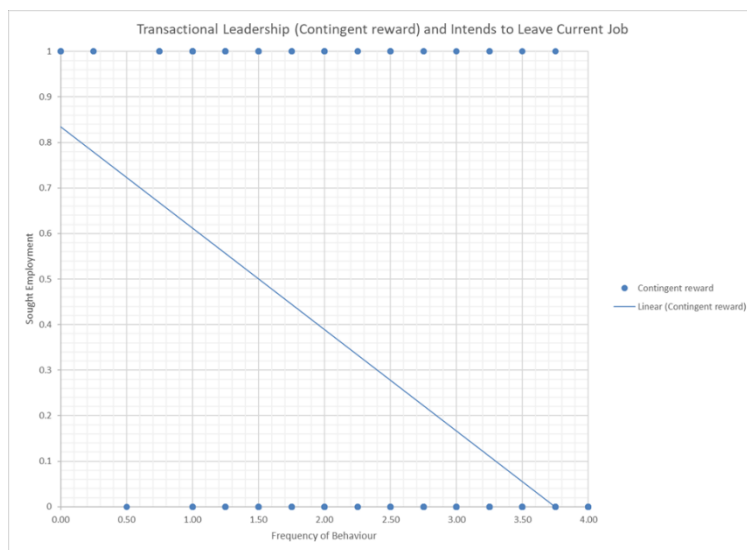
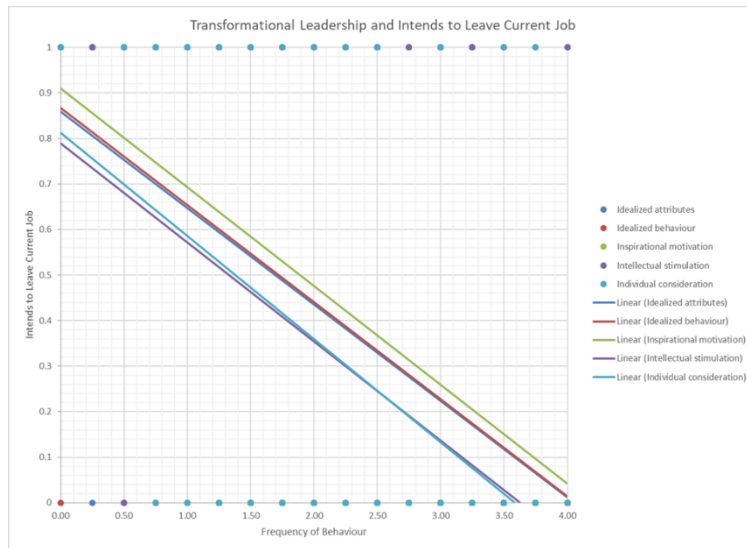
Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
	Self-Promotion	-0.8444	0.6759
	Narcissistic	-0.6323	0.4136
	Authoritarian Leadership	-0.6963	0.4414
	Unpredictability	-0.7374	0.5068

Leadership Style and employee career plans

Intention to leave current job

Consistent with expectation, positive leadership scores were inversely correlated with the likelihood that an employee was planning to leave their position. In other words, leaders who were scored higher in authentic leadership, transformational leadership, or transactional leadership (contingent reward) had employees who were less likely to be looking for a new job.





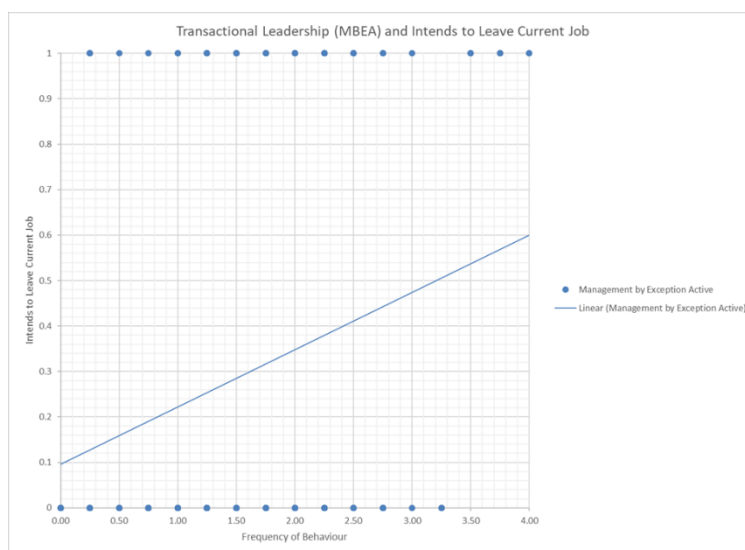
This finding was consistent across all dimensions of positive leadership. The strength of the relationship was moderate with positive leadership style explaining between, 20% to 29% of the variation in responses. The coefficients of correlation and the coefficient of determination are listed below.

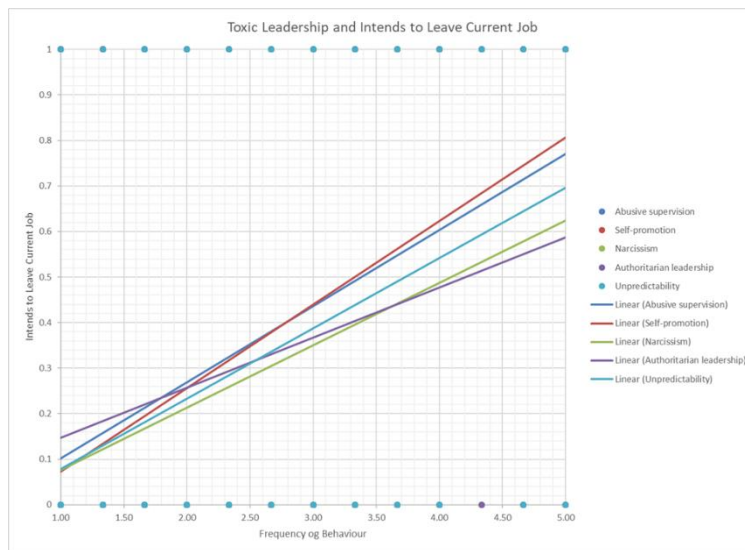
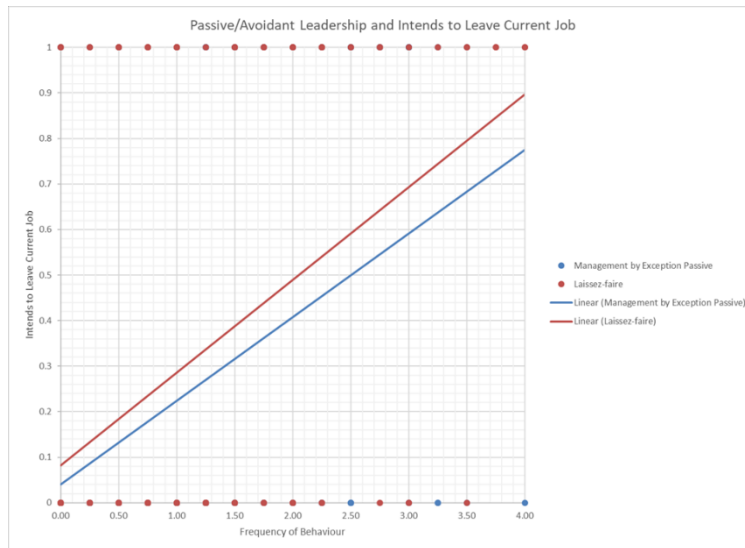
Table 14 – Intends to leave current job

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Authentic Leadership	Transparency	-0.1951	0.1995
	Moral/Ethical	-0.2125	0.2582

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
	Balanced Processing	-0.1754	0.2198
	Self-awareness	-0.1967	0.2637
Transformational Leadership	Idealized Attributes	-0.2120	0.2800
	Idealized Behaviour	-0.2130	0.2442
	Inspirational Motivation	-0.2168	0.2438
	Intellectual Stimulation	-0.2179	0.2853
	Individual Consideration	-0.2265	0.2865
Transactional Leadership	Contingent Reward	-0.2226	0.2533

Furthermore, consistent with expectation, negative leadership styles were positively correlated with the likelihood that an employee was planning to leave their position. In other words, leaders who scored higher in toxic leadership, passive/avoidant leadership, or transactional (manage by exception active) leadership had employees who were more likely to be looking for a new job.





This finding was consistent across all dimensions of negative leadership. The strength of the relationship was moderate with negative leadership style explaining between, 7% to 25% of the variation in responses. The coefficients of correlation and the coefficient of determination are listed below.

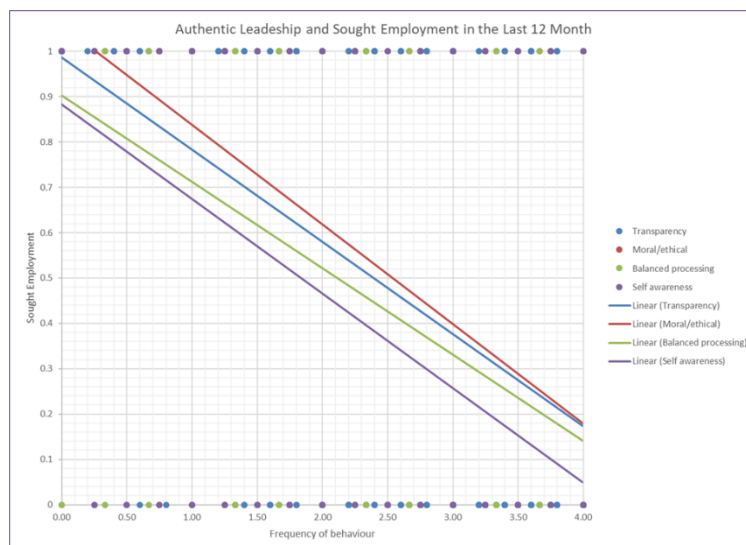
Table 15 – Intend to leave current job

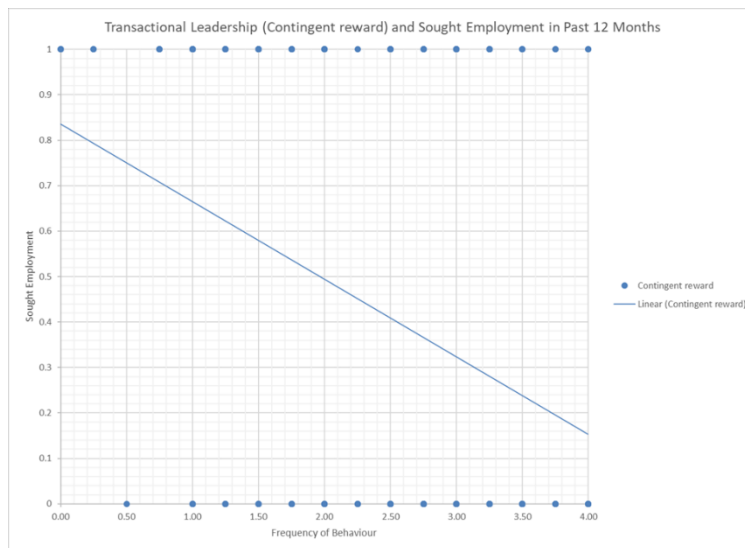
Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Transactional Leadership	Management by Exception Active	0.1259	0.0693

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Passive/Avoidant Leadership	Management by Exception Passive	0.1838	0.1378
	Laissez-faire	0.2040	0.1851
Toxic Leadership	Abusive Supervision	0.1672	0.1654
	Self-Promotion	0.1835	0.2484
	Narcissistic	0.1369	0.1530
	Authoritarian Leadership	0.1101	0.0945
	Unpredictability	0.1543	0.1784

Has looked for another position

Consistent with expectation, positive leadership scores were inversely correlated with the likelihood that an employee had looked for a new job in the last 12 months. In other words, leaders who were scored higher in authentic leadership, transformational leadership, or transactional leadership (contingent reward) leadership had employees who were less likely to have looked for a new job in the past 12 months.





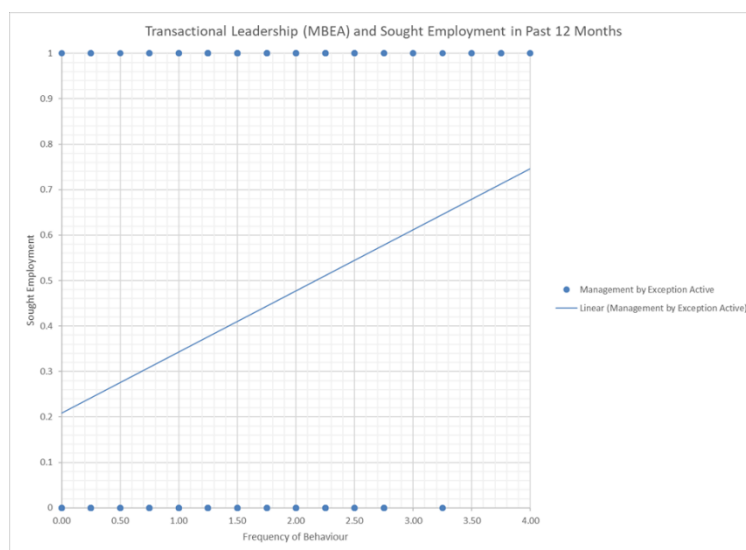
This finding was consistent across all dimensions of positive leadership. The strength of the relationship was moderate with positive leadership style explaining between, 18% to 25% of the variation in responses. The coefficients of correlation and the coefficient of determination are listed below.

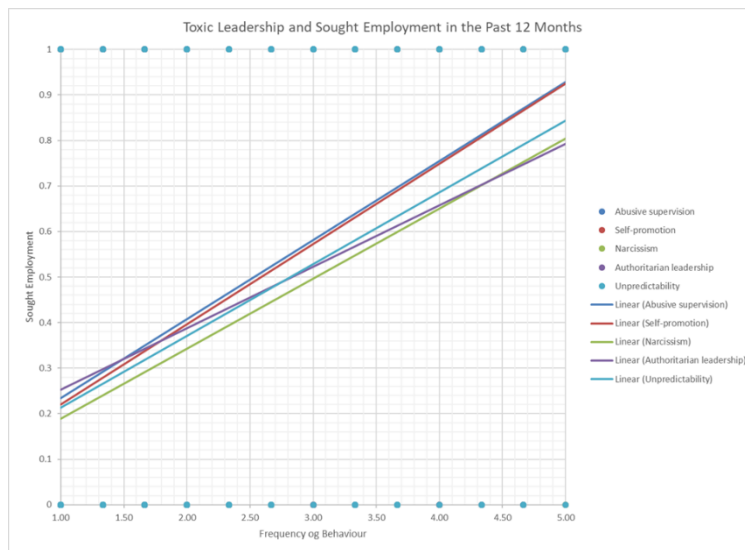
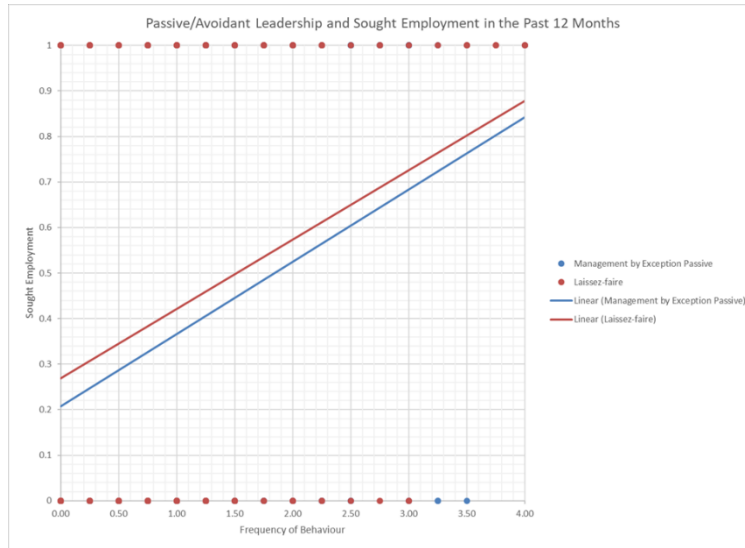
Table 16 – “In the past 12 months have you looked for a job with another employer?”

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Authentic Leadership	Transparency	0.2034	0.1829
	Moral/Ethical	0.2195	0.2324

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
	Balanced Processing	0.1905	0.2186
	Self-awareness	0.2086	0.2503
Transformational Leadership	Idealized Attributes	0.1997	0.2115
	Idealized Behaviour	0.1923	0.1695
	Inspirational Motivation	0.1840	0.1494
	Intellectual Stimulation	0.1950	0.1946
	Individual Consideration	0.1864	0.1652
Transactional Leadership	Contingent Reward	0.1706	0.1274

Furthermore, consistent with expectation, negative leadership styles were positively correlated with the likelihood that an employee had looked for a new job in the last 12 months. In other words, leaders who were scored higher in toxic leadership, passive/avoidant leadership, or transactional (manage by exception active) leadership had employees who were more likely to have looked for a new job in the last 12 months.





This finding was consistent across all dimensions of negative leadership. The strength of the relationship was moderate with negative leadership style explaining between, 6% to 19% of the variation in responses. The coefficients of correlation and the coefficient of determination are listed below.

Table 17 – “In the past 12 months have you looked for a job with another employer?”

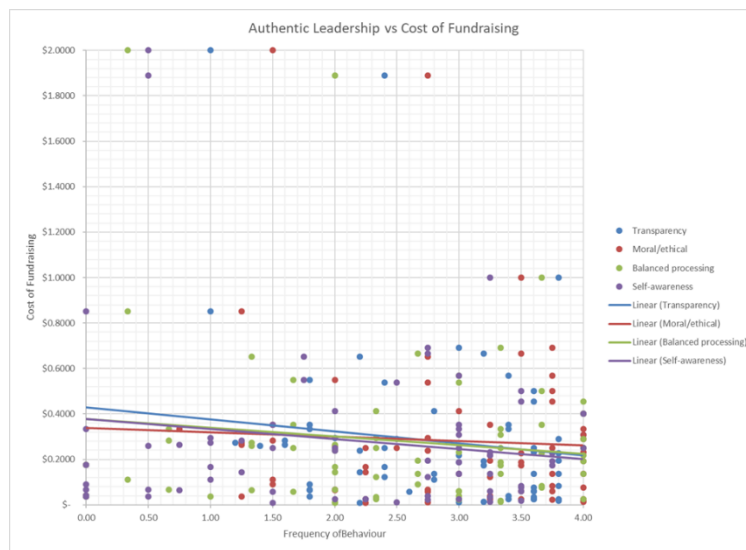
Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Transactional Leadership	Management by Exception Active	-0.1342	0.0673

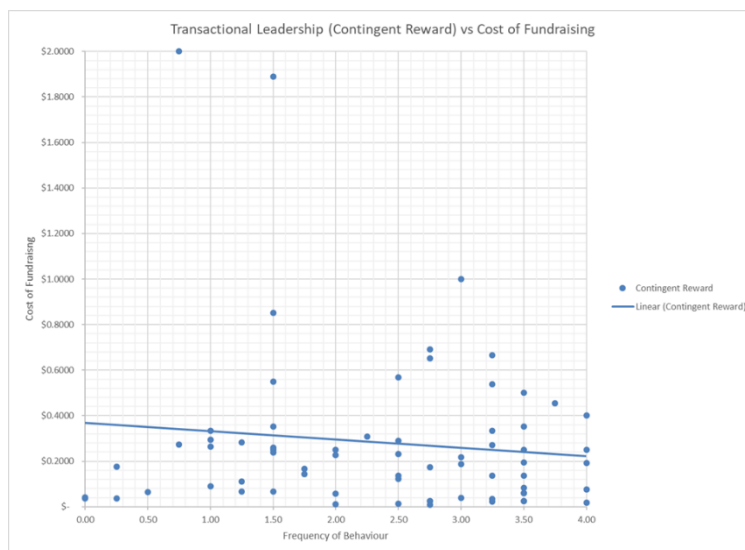
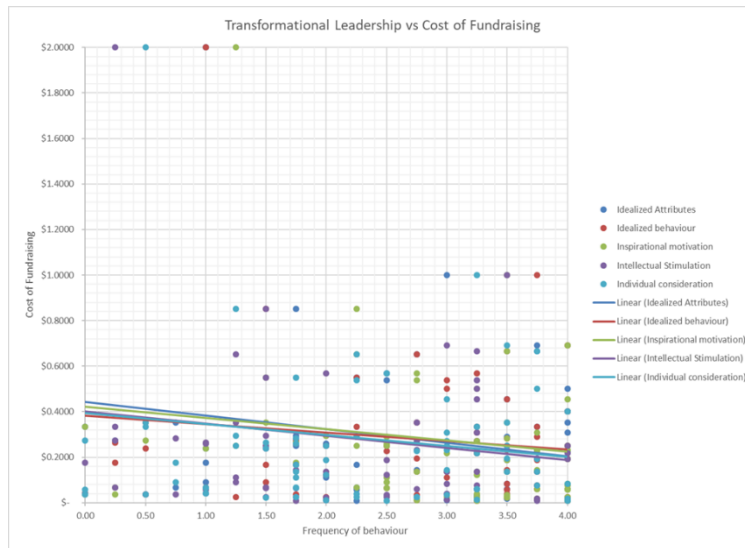
Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Passive/Avoidant Leadership	Management by Exception Passive	-0.1585	0.0886
	Laissez-faire	-0.1493	0.0850
Toxic Leadership	Abusive Supervision	-0.1738	0.1505
	Self-Promotion	-0.1761	0.1927
	Narcissistic	-0.1539	0.1628
	Authoritarian Leadership	-0.1349	0.1196
	Unpredictability	-0.1574	0.1565

Leadership style and cost of fundraising

This study found that leadership style had no effect on cost of fundraising.

While all positive leadership styles were inversely correlated with the cost of fundraising, the effect was too small to be considered significant with leadership style explain less than 3% of the variation in cost of fundraising.





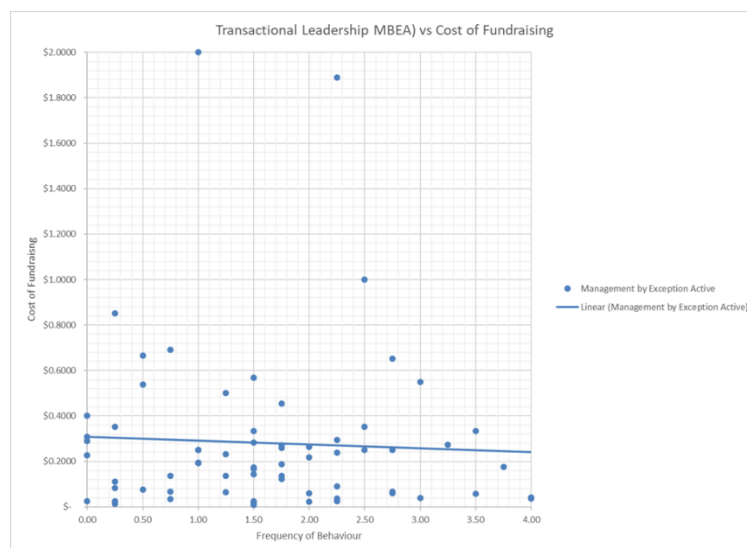
This finding was consistent across all dimensions of positive leadership with leadership style demonstrating no significant impact on cost of fundraising. The coefficients of correlation and the coefficient of determination are listed below.

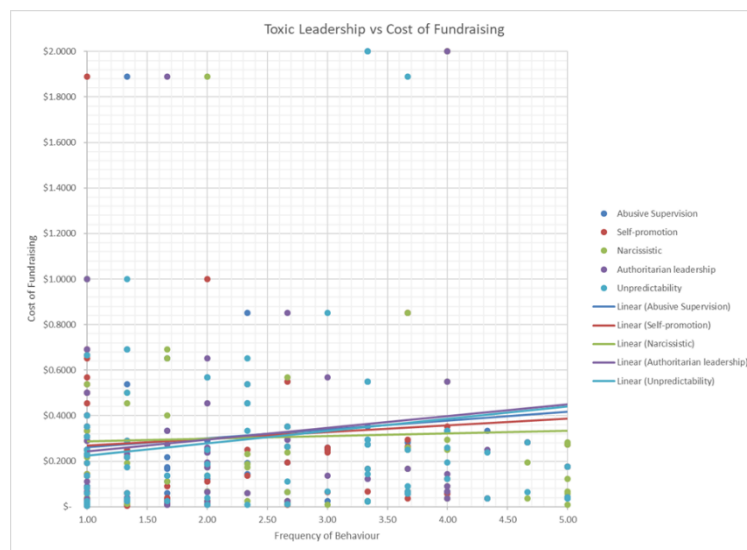
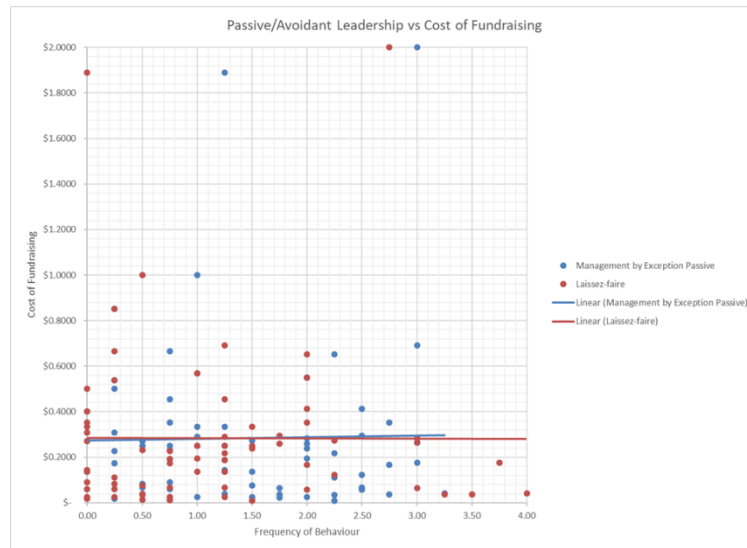
Table 18 – Positive leadership and cost of fundraising

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Authentic Leadership	Transparency	-0.0529	0.0231
	Moral/Ethical	-0.0192	0.0034
	Balanced Processing	-0.0384	0.0153
	Self-awareness	-0.0440	0.0227

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Transformational Leadership	Idealized Attributes	-0.0598	0.0335
	Idealized Behaviour	-0.0369	0.0113
	Inspirational Motivation	-0.0492	0.0222
	Intellectual Stimulation	-0.0533	0.0251
	Individual Consideration	-0.0480	0.0205
Transactional Leadership	Contingent Reward	-0.0366	0.0128

Furthermore, while negative leadership styles were generally positively correlated with the cost of fundraising, the effect was also too small to be significant. Negative leadership styles explained less than 3% of the variation in cost of fundraising.





This finding was consistent across all dimensions of negative leadership, with the exception of transactional leadership (management by exception active) which was negatively correlated. The relationship, however, was not significant. The coefficients of correlation, the coefficient of determination, and the significance factors are listed below.

Table 19 – Negative leadership and Cost of Fundraising

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Transactional Leadership	Management by Exception Active	-0.0169	0.0024

Leadership Style	Sub-scale	Coefficient of correlation	Coefficient of determination
Passive/Avoidant Leadership	Management by Exception Passive	0.0077	0.0004
	Laissez-faire	0.0007	0.0000
Toxic Leadership	Abusive Supervision	0.0389	0.0107
	Self-Promotion	0.0294	0.0077
	Narcissistic	0.0118	0.0016
	Authoritarian Leadership	0.0516	0.0220
	Unpredictability	0.0539	0.0267

Limitations of Research

There are three significant limitations to this research. First, the respondents self-selected. The fact that we did not use a random sample means that the responses may not be truly reflective of the practices in the broader fundraising community.

Second, the data was self-reported. It is possible that some of the data shared by respondents may not be accurate. For example, it is possible that the fundraising results reported by respondents may not be accurate. Furthermore, the research did not isolate for organization or isolate for leader, meaning that multiple respondents may have been reporting for the same leader or the same organization.

Finally, given the relatively small sample size some caution should be expressed with regards to the results.

As well, it should be noted that what constitutes effective leadership is dependent upon context (Jackson & Parry, 2011). What is extremely effective leadership behaviour in one context may be a complete failure in another. The results presented in this paper are applicable to leaders supervising professional fundraisers working in Canadian organizations. These results may not be applicable in other contexts.

On a more positive note, however, the results and conclusions are in line with what was predicted by leadership theory and are consistent with the results of other similar studies. For example, there is a broad literature which shows that authentic leadership improves employee performance in a variety of contexts (Gardner, et al, 2011). This allows for more confidence when sharing the conclusions.

Further Research

This study has many implications for future research. First, in order to make any definitive claims about leadership style and fundraising costs, there needs to be a deeper pool of evidence confirmed across several studies. As such, the author would argue that the relationship with regards to leadership style and fundraising results should be explored further in order to better understand this question.

Second, this study did not explore the link between leadership style and the growth of fundraising results. Given the importance of growth of revenue as a goal within the Canadian fundraising community, further exploration into this topic is warranted,

Finally, it may be interesting to explore the effects of other leadership styles. The author, for example, has done qualitative research exploring democratic leadership and fundraising. Better understanding other leadership styles such as democratic leadership, charismatic leadership, bureaucratic leadership, or coaching leadership, may provide further insight into how to improve leadership effectiveness in the Canadian fundraising community.

Discussion and Conclusions

Frequency and impact

Broadly speaking the results of this survey are positive. A majority of respondents reported experiencing positive leadership styles which build employee trust, increase staff

satisfaction and reduce staff turnover. Depending on which leadership style and sub-scale we look at respondents report experiencing (“Fairly often” or “Frequently, if not always”) some form of positive leadership between 50% and 71% of the time.

While this is certainly better than what the primary researcher expected, it still leaves room for improvement. Some of the most effective leadership styles and practices are among the least practiced positive leadership styles. For example, authentic leadership (self awareness) has a powerful impact on the outcomes of leadership and employees turnover but is only reported as being practiced by 50% of leaders. Similarly, transformational leadership (intellectual stimulation) and transformational leadership (individual consideration) are only reported as being practiced by 51% of leaders despite the fact that they rank amongst the most effective leadership behaviours across all the outcomes measured.

It seems that Canadian fundraising leaders generally do a good job of articulating a compelling vision, talking about values, and generating trust. They need to, however, do a better job of soliciting alternate points of view, being aware of their personal strength and weaknesses, encouraging creativity, and coaching staff.

Furthermore, we see that negative leadership practices are being reported by respondents as being experienced between 20% and 30% of the time. In other words, a significant portion of fundraising leaders are engaging in behaviours that actively harms their employees. These behaviours include putting ego gratification ahead of the needs of their organization, micro-managing staff, refusing to delegate work, and taking credit for other’s work.

Finally, some Canadian fundraising leaders are abdicating their leadership responsibilities entirely with 20% being reported as only acting when issues become urgent and 11% being reported as failing to demonstrate leadership at all.

Cost of fundraising

There are several possible explanations as to why leadership style has no impact upon cost of fundraising. First, the selection of strategy and tactics has a significant impact on cost of fundraising and is separate from leadership style. For example, an organization that relies primarily on major gifts will, in general, have a lower cost of fundraising than an organization that relies primarily on events.

Second, it is likely that technical fundraising knowledge has a greater impact on cost of fundraising, dwarfing the effects of leadership style. A direct marketing expert, for example, will know many ways to reduce the cost of direct mail or telemarketing. This technical expertise may again be much more impactful than leadership style.

Third, many fundraising leaders act as front-line fundraisers themselves. As Burk (2013) states, “It is rare in Development operations for managers to simply manage; they are almost always direct fundraisers, too.” This may be one of the reasons why as many as 20% of fundraising leaders are reported as employing a passive/avoidant style. They are focused on fundraising and not on dealing with the responsibilities of leadership. The impact of deploying an additional frontline fundraiser, however, may offset some or all of the negative impact of a passive leadership style.

Fourth, 41% of the organizations in this study had fundraising revenues over \$10 million. It may be that in large organizations, with multiple revenue streams, the combined effect of several leaders hides the impact of leaderships style of cost of fundraising.

Finally, and most troubling, toxic leadership can increase short-term results (Schmidt, 2015). These short-term boosts come with long-term implications such as increased turnover

and decreased employee satisfaction. Cost of fundraising is, however, a short-term measure and so the long-term negative effects may be hidden by the short-term boosts.

A future area of research may be to look at leadership style and the growth of fundraising results. It may be that leaders with positive leadership styles encourage higher rates of growth than those with negative leadership styles. We did not explore this question in this project.

Employee Turnover

“A micromanager who constantly picked at everything. Nothing was ever right; glass was always half-empty and every event / campaign could have been done better. I didn't stay (nor did many others) with that leader.” – A survey participant describing their worst leadership experience.

The impact of leadership style on employee turnover may be the most significant finding in this study. Employee turnover is a significant issue in our sector with fundraisers changing job every eighteen months on average. As Burke (2013) says, “Nine out of ten Development Directors who manage fundraising staff feel that the rate of turnover in their organizations is a problem.”

Further, employee turnover has significant financial implications for organizations. Burke (2013) estimates that replacing a major gift fundraiser can cost organizations almost \$50,000 in direct costs and lost productivity.

Leadership style, however, has a significant impact on an employee's decision to stay, explaining between 20% and 29% of an employee's intention to leave a job. Leaders can have a significant impact on employee turnover by employing more positive leadership behaviours and reducing negative leadership behaviours.

Recommendations

Based on the participant responses and the review of the relevant literature, three broad recommendations emerge from this report.

Recommendation 1: Canadian fundraising leaders be encouraged – and rewarded for – engaging in leadership activities. The survey found that 20% of Canadian fundraising leaders only demonstrate leadership when issues become urgent and can no longer be ignored. Further, 11% of leaders do not demonstrate leadership (Laissez-faire leadership) at all. While it is tempting to condemn these leaders, the simple reality is that too many leaders in our sector are only rewarded for fundraising results. If senior leaders are incentivised to be front-line fundraisers and not effective leaders, it is not surprising that many do not demonstrate effective leadership behaviour or avoid leadership entirely.

Recommendation 2: Canadian Fundraising leaders be encouraged and trained to practice authentic and transformational leadership styles. The results of this survey and the broader literature are clear, authentic and transformational leadership styles are the most effective for Canadian fundraising leaders, producing more engaged employees, lower staff turnover, and lowering fundraising costs. Stanley Weinstein (2004) was right when he said that fundraisers should practice transformational leadership. They can, however, further improve results by frequently applying authentic leadership behaviours to their leadership practice.

Recommendation 3: Canadian fundraising leaders be encouraged and trained to avoid toxic leadership behaviours. Like a novice driving with the parking brake on, too many fundraising leaders are sabotaging their performance and their organizations by engaging in toxic leadership behaviours. Again, too often, boards and senior leaders turn a blind eye to toxic behaviour.

Worse some even encourage toxic behaviour in the mistaken belief that it can generate better results.

Developing Leadership Styles

Although leadership is one of the most comprehensively researched social influence processes (Parris & Preachey, 2012) there has been relatively little research into leadership development in the non-profit sector (Bozer, 2015).

There is, however, a growing industry of leadership development within Canada. Canadian business schools and academic institutions are increasing their course offerings in non-profit management and leadership (Cave, 2016). As well, there are a number of non-profits – such as the Ontario Non-profit Network and Leadership Victoria – that are offering leadership development opportunities. Finally, we are increasingly seeing leadership workshops and presentations at major fundraising conferences.

There remains, however, significant differences in the leadership development opportunities available to fundraisers who work in large urban centres as compared with those working in smaller cities or rural areas (Cave, 2016). As well, leadership development opportunities are applied inconsistently across the sector and within organizations (Bornstein, 2018). Some institutions invest significantly in the leadership development of their staff and others do not. This investment can even vary significantly within organizations.

Ultimately, leadership development need to be driven from the board and senior leadership (Bozer, 2015). Until senior leadership across the Canadian fundraising community begins to invest in leadership development to the same level that they invest in other professional development we can expect to see little change in how leadership is practiced within the sector.

References

- Avolio, B., Gardner, W., & Walumbwa, F. (2007). *Authentic Leadership Questionnaire Instrument and Scoring Guide*. Mind Garden, Inc.
- Bass, B. & Avolio, B. (2004). *Multifactor Leadership Questionnaire Manual (Third Edition)*. Menlo Park, CA: Mind Garden, Inc.
- Bass, B. & Bass, R. (2008). *Handbook of leadership : Theory, research, and application* (4th ed. ed.). New York: Free Press.
- Bornstein, M. (2018). *Improving the Leadership Development of Professional Fundraisers at the Arthritis Society*. (Unpublished master thesis). Royal Roads University. Victoria, Canada
- Bozer, G., Kuna, S., & Santora, J. (2015). The Role of Leadership Development in Enhancing Succession Planning in the Israeli Nonprofit Sector, *Human Service Organizations: Management, Leadership & Governance*.
- Burk, P. (2013) *Donor-Centered Leadership: What it takes to build a high performance fundraising team*. Hamilton, ON: Cygnus Applied Research Inc
- Cave, J. (2016). A shifting sector: emerging trends for Canada's nonprofits in 2016. *The Philanthropist*. Retrieved from <http://thephilanthropist.ca/2016/01/a-shifting-sector-emerging-trends-for-canadasnonprofits-in-2016/>
- Gardner, W., Cogliser, C., Davis, K., & Dickens, M. (2011). Authentic leadership: a review of the literature and research agenda. *Leadership Quarterly*, 22, 1120 – 1145.
- Green, R. (2015). The fundraising leadership crisis – is it real?, *Hilborn: Charity eNews*. Retrieved From <https://www.charityinfo.ca/articles/fundraising-leadership-crisis>

- Hopkins, K., Meyer, M., Shera, W., & Peters, S. (2014). Leadership Challenges Facing Nonprofit Human Service Organizations in a Post-Recession Era, *Human Service Organizations: Management, Leadership & Governance*, 38:5, 419-422
- Jackson, B. & Parry, K. (2011). *A Very Short, Fairly Interesting and Reasonably Cheap Book about Studying Leadership, 2nd ed.*. Sage Publications; : Thousand Oaks, CA.
- Parris, D. & Peachey, J. (2013). A Systematic Literature Review of Servant Leadership Theory in Organizational Contexts. *Journal of Business Ethics*. 113: 377-393
- Pitman, M. (2017). *Nonprofit Sector Leadership Report 2017*, The Concord Leadership Group
- Riggio, Ronald E. (2009). "Are You a Transformational Leader?" *Psychology Today*. Retrieved from <https://www.psychologytoday.com/ca/blog/cutting-edge-leadership/200903/are-you-transformational-leader>
- Rosenthal, S. A. & Pittinsky, T. L. (2006). Narcissistic leadership. *The Leadership Quarterly*, 17, 617-633.
- Schmidt, A. (2008). *Development and Validation of the Toxic Leadership Scale*, Retrieved from <https://drum.lib.umd.edu/handle/1903/8176>
- Schmidt, A. (2014). *An examination if toxic leadership, job outcomes, and the impact of military deployment*. Retrieved from <https://drum.lib.umd.edu/handle/1903/15250>
- Schmidt, A. (2015). *What is Toxic Leadership?*. Retrieved from <https://www.linkedin.com/pulse/what-toxic-leadership-andrew-schmidt-phd/>
- Selden, S., Sowa, J. (2015). Voluntary Turnover in Nonprofit Human Service Organizations: The Impact of High Performance Work Practices, *Human Service Organizations: Management, Leadership & Governance*, 39:3, 182-207,

- Tepper, B. J., Hoobler, J., Duffy, M. K., Ensley, M. D. (2004). Moderators of the relationships between coworkers' organizational citizenship behavior and fellow employees' attitudes. *Journal of Applied Psychology, 89*, 455-465.
- Veldsman, T. H., Johnson, A. J., & Madonsela, T. N. (2016). *Leadership : Perspectives From the Front Line*. Randburg, South Africa: KR Publishing.
- Weinstein, S. (2004). Transformational leadership and the resource development professional. *New Directions for Philanthropic Fundraising, 2004(44)*, 5-55.
- Walumbwa, O.F., Lawler, J.J., Avolio, B.J., & Wang, P. (2003). *Relationship between transformational leadership and work-related attitudes: The Moderating effects of collective and self-efficacy across cultures*. Working paper, University of Nebraska, Lincoln.
- Walumbwa, F. O., Avolio, B. J., Gardner, W. L., Wernsing, T. S., & Peterson, S. J. (2008). Authentic leadership: Development and validation of a theory-based measure. *Journal of Management, 34*, 89–126.

Appendix A – Recruiting Email

From: Hilborn Sector Updates (enews@hilborn.com)

To: mbornste@yahoo.ca

Date: Tuesday, November 13, 2018, 06:25 a.m. EST

Understanding Leadership in the Canadian Fundraising Community

Hi Mikhael,

The **2018 Canadian Fundraising Leadership Survey** has been extended so there is still time to participate!

Take the survey

With your help we are conducting the first comprehensive survey of leadership style in the Canadian fundraising community. A deeper understanding of leadership style will lead to better leadership practices, improved leadership development programs, and more effective recruiting within the sector. This research will help us better understand the impact of leadership style on fundraising results.

The survey should take less than 15 minutes of your time to complete and all responses will be kept completely confidential. You can request a copy of the results if you choose.

To complete the survey, please go to:

<https://www.surveymonkey.ca/r/CanadianFundraisingLeadershipSurvey>.

The research is being sponsored by the AFP Foundation for Philanthropy – Canada and is supported by Hilborn:ECS. The survey is being led by Mikhael Bornstein, CFRE.

Thank you so much for your contribution,

Mikhael

P.S. You can help us even more by forwarding this email to your Canadian fundraising colleagues.

Thank you!

Take the survey

Hilborn | PO Box 86 Station C, Toronto, Ontario M6J 3M7 Canada

[Unsubscribe mbornste@yahoo.ca](mailto:mbornste@yahoo.ca)

[Update Profile](#) | [About our service provider](#)

Sent by enews@hilborn.com in collaboration with

Constant Contact 
Try it free today

Appendix B – Sample Questions from the Authentic Leadership Questionnaire

Below is a sample of the questions from the Authentic Leadership Questionnaire. Please note that the user agreement for the Authentic Leadership Questionnaire only allows for three survey items to be reproduced in any published materials (Please see note on next page).

<p>Instructions: The following survey items refer to your leader's style, as you perceive it. Judge how frequently each statement fits his or her leadership style using the following scale:</p>					
Not at all	Once in a while	Sometimes	Fairly often	Frequently, if not always	
0	1	2	3	4	
<p>My Leader:</p>					
1. says exactly what he or she means.	0	1	2	3	4
2. admits mistakes when they are made.	0	1	2	3	4
3. encourages everyone to speak their mind.	0	1	2	3	4

For use by Mikhael Bornstein only. Received from Mind Garden, Inc. on March 22, 2018



To whom it may concern,

This letter is to grant permission for the above named person to use the following copyright material for his/her thesis or dissertation research:

Instrument: *Authentic Leadership Questionnaire*

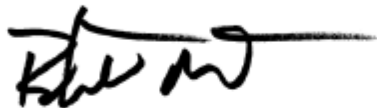
Authors: *Bruce J. Avolio, William L. Gardner, & Fred O. Walumbwa*

Copyright: *2007 by Bruce J. Avolio, William L. Gardner, & Fred O. Walumbwa*

Three sample items from this instrument may be reproduced for inclusion in a proposal, thesis, or dissertation.

The entire instrument may not be included or reproduced at any time in any other published material.

Sincerely,



Robert Most
Mind Garden, Inc.
www.mindgarden.com

© 2007 by Bruce J. Avolio, William L. Gardner, & Fred O. Walumbwa. All rights reserved in all media.
Published by Mind Garden, Inc. www.mindgarden.com

Appendix C – Sample Questions from the Multifactor Leadership Questionnaire

Below is a sample of the questions from the Multifactor Leadership Questionnaire.

Please note that the user agreement for the Multifactor Leadership Questionnaire only allows for five survey items to be reproduced in any published materials (Please see note on next page).

Forty-five descriptive statements are listed on the following pages. Judge how frequently each statement fits the person you are describing. Use the following rating scale:					
Not at all	Once in a while	Sometimes	Fairly often	Frequently, if not always	
0	1	2	3	4	
<i>THE PERSON I AM RATING. . .</i>					
1.	Provides me with assistance in exchange for my efforts	0	1	2	3 4
2.	Re-examines critical assumptions to question whether they are appropriate.....	0	1	2	3 4
3.	Fails to interfere until problems become serious.....	0	1	2	3 4
4.	Focuses attention on irregularities, mistakes, exceptions, and deviations from standards.....	0	1	2	3 4
5.	Avoids getting involved when important issues arise.....	0	1	2	3 4

For use by Mikhael Bornstein only. Received from Mind Garden, Inc. on March 22, 2018



www.mindgarden.com

To whom it may concern,

This letter is to grant permission for the above named person to use the following copyright material for his/her research:

Instrument: *Multifactor Leadership Questionnaire*

Authors: *Bruce Avolio and Bernard Bass*

Copyright: *1995 by Bruce Avolio and Bernard Bass*

Five sample items from this instrument may be reproduced for inclusion in a proposal, thesis, or dissertation.

The entire instrument may not be included or reproduced at any time in any published material.

Sincerely,

Robert Most
Mind Garden, Inc.
www.mindgarden.com

© 1995 Bruce Avolio and Bernard Bass. All rights reserved in all media.
Published by Mind Garden, Inc., www.mindgarden.com

Appendix D – The Toxic Leadership Scale, Short Form

Below is the short version of the Toxic Leadership Scale as it originally appeared in Schmidt's (2014) paper, "An examination of toxic leadership, job outcomes, and the impact of military deployment."

Shortened Version of the Schmidt (2008) Toxic Leadership Scale

All items begin with the phrase "My current supervisor..."

Self-Promotion ($\alpha = .85$):

1. Drastically changes his/her demeanor when his/her supervisor is present
2. Will only offer assistance to people who can help him/her get ahead
3. Accepts credit for successes that do not belong to him/her

Abusive Supervision ($\alpha = .79$):

4. Holds subordinates responsible for things outside their job descriptions
5. Publicly belittles subordinates
6. Reminds subordinates of their past mistakes and failures

Unpredictability ($\alpha = .85$):

7. Allows his/her current mood to define the climate of the workplace
8. Expresses anger at subordinates for unknown reasons
9. Varies in his/her degree of approachability

Narcissism ($\alpha = .81$):

10. Has a sense of personal entitlement
11. Thinks that he/she is more capable than others
12. Believes that he/she is an extraordinary person

Authoritarian Leadership ($\alpha = .84$):

13. Controls how subordinates complete their tasks
14. Does not permit subordinates to approach goals in new ways
15. Determines all decisions in the unit whether they are important or not

Appendix E – Other Questions

Below is a list of other questions that were included in the survey.

- Please take a moment to describe the best leadership you have experienced during your career as a fundraiser. (Optional)
- Please take a moment to describe the worst Leadership experience you have had in your fundraising career. (Optional)
- With what type of organization are you currently affiliated as a fundraising professional?
- Approximately how much money did your organization raise in donations from all sources during the last fiscal year?
- Please enter your best estimate of how much organization raised in donations from all sources during the last fiscal year?
- Approximately how many donations did your organization receive last fiscal year?
- Please estimate the combined value of the 10 largest donations your organization received last fiscal year.
- Approximately, what was your organization's fundraising budget during the last fiscal year?
- Please enter your best estimate of your organization's fundraising budget during the last fiscal year?
- How many FTE fundraising professionals work in your organization?
- How many volunteers (including board members) assist with fundraising?
- What is the geographic scope of your organization?
- In which province/territory is the office where you work located?
- Is your work primarily in one of the following metropolitan areas?
- What is your current position? Please select the ONE choice that best describes the full scope or range of your responsibilities, even if it is not your exact title.
- For how many years have you been employed as a fundraising professional?
- How long have you been with your current employer?
- Which of the following best describes your current career plans?
- In the past 12 months have you looked for a promotion within the organization?
- In the past 12 months have you looked for a job with another employer?
- In the past 12 months have you made plans to become self-employed?
- What is your gender?
- Which of the following professional certifications do you hold?(choose ALL that apply)
- If you would like to receive a copy of the survey results, please provide your email address.

Appendix F – Detailed Demographic Data**Table 21 – In which province/territory is the office where you work located?**

Province	% of Organizations
Nova Scotia	0.6%
Quebec	3.6%
Ontario	66.3%
Manitoba	1.8%
Saskatchewan	3.0%
Alberta	12.0%
British Columbia	12.0%
Nunavut	0.6%

Table 22 – Is your work primarily in one of the following metropolitan areas?

Metropolitan Area	% of Organizations
Greater Calgary Metropolitan Area	3.6%
Greater Montreal Metropolitan Area	1.2%
Greater Ottawa Metropolitan Area	3.6%
Greater Toronto Metropolitan Area	41.0%
Greater Vancouver Metropolitan Area	7.8%
None of the above	42.8%

Table 23 – With what type of organization are you currently affiliated?

Type of Organization	% of Organizations
Hospital/Health Service	22.8%
Social Service	20.4%
Higher Education	16.8%
Primary or Secondary Education	6.6%
Arts/Cultural Organization	6.0%
National or Regional Health Charity	3.6%
Environmental	3.6%
Consulting Firm, Partnership, or Sole Proprietorship	3.6%
Scientific, Research, or Other Educational	2.4%
International Development/Overseas Aid and Support	2.4%
Association Foundation	1.8%
Community Development/Economic Development	1.8%
Religious or Religion-Related	0.6%
Civic and Public Affairs	0.6%

Type of Organization	% of Organizations
Public Broadcaster	0.6%
Emergency Relief/Humanitarian Aid	0.6%
Other	6.0%

Table 24 – Approximately how much money did your organization raise in donations from all sources during the last fiscal year?

Funds Raised	% of Organizations
< \$100,000	2.5%
\$100,000-\$249,999	3.7%
\$250,000-\$499,999	3.7%
\$500,000-\$749,999	3.7%
\$750,000-\$1,499,999	11.2%
\$1,500,000-\$2,999,999	13.0%
\$3,000,000-\$9,999,999	21.1%
\$10,000,000-\$99,999,999	34.8%
\$100,000,000+	6.2%

Table 25 –What was your organization's fundraising budget during the last fiscal year?

Fundraising Budget	# of Organizations
< \$250,000	26.2%
\$250,000-\$499,999	15.4%
\$500,000-\$999,999	6.7%
\$1,000,000-\$2,999,999	22.1%
\$3,000,000-\$4,999,999	8.1%
\$5,000,000-\$9,999,999	4.7%
\$10,000,000-\$49,999,999	11.4%
\$50,000,000-\$74,999,999	4.0%
\$75,000,000+	1.3%

Table 26 – What is the geographic scope of your organization?

Geographic Scope	% of Organizations
International	10.3%
National	29.1%
Provincial	18.2%
Local	42.4%

Table 27 – What best describes your current position?

Current Position	% of Participants
CEO, ED, or equivalent	14.2%
Chief Development Officer, Vice President Development, or equivalent	14.8%
Director of Development or equivalent	24.7%
Associate Director, Senior Manager, or equivalent	11.1%
Program Director, Program Manager, or equivalent	7.4%
Other Fundraising Staff Position	22.2%
Consultant - Principal, Senior Staff, Campaign Director in Full Service Firm	3.1%
Consultant	2.5%

Table 28 – For how many years have you been employed as a fundraising professional?

Years of professional Experience	% of Participants
Less than 4 years	7.5%
4 - 6 years	10.7%
7 - 9 years	10.1%
10 - 14 years	25.2%
15 - 19 years	14.5%
20 - 24 years	14.5%
25 - 29 years	11.3%
30 or more years	6.3%

Table 29 – How long have you been with your current employer?

Years with current employer	% of Participants
1 year or less	19.3%
2 years	14.3%
3 years	13.0%
4 years	6.8%
5 - 6 years	14.3%
7 - 9 years	13.0%
10 - 14 years	11.2%
15 or more years	8.1%

Table 30 – What is your gender?

Gender	% of Respondents
Male	22.1%
Female	77.9%

Note: No participants reported a non-binary gender

Table 31 – What certification do you have?

Certification	# of Respondents
CFRE	43
ACFRE	3
FAHP	1

Appendix G – Data statistics**Table 32 – Data statistics**

Leadership Style	Sub-scale	Average	Median	Mode	Std. Deviation
Authentic Leadership	Transparency	2.70	3.00	3.60	1.04
	Moral/Ethical	2.86	3.25	4.00	1.08
	Balanced Processing	2.47	2.67	4.00	1.20
	Self-Awareness	2.21	2.38	3.00	1.20
Transformational Leadership	Idealized Attributes	2.65	3.00	4.00	1.14
	Idealized Behaviour	2.66	2.75	3.75	1.08
	Inspirational Motivation	2.82	3.13	4.00	1.06
	Intellectual Stimulation	2.25	2.50	3.25	1.13
	Individual Consideration	2.29	2.50	3.00	1.10
Transactional Leadership	Contingent Reward	2.43	2.50	3.50	1.07
	Management by Exception Active	1.61	1.50	1.25	0.98
Passive/Avoidant Leadership	Management by Exception Passive	1.45	1.25	0.75	0.93
	Laissez-faire	1.12	1.00	0.00	1.00
Toxic Leadership	Abusive Supervision	2.15	1.83	1.00	1.12
	Self-Promotion	2.22	2.00	1.00	1.27
	Narcissistic	2.61	2.33	1.00	1.32
	Authoritarian Leadership	2.32	2.00	1.00	1.24
	Unpredictability	2.43	2.33	1.00	1.25