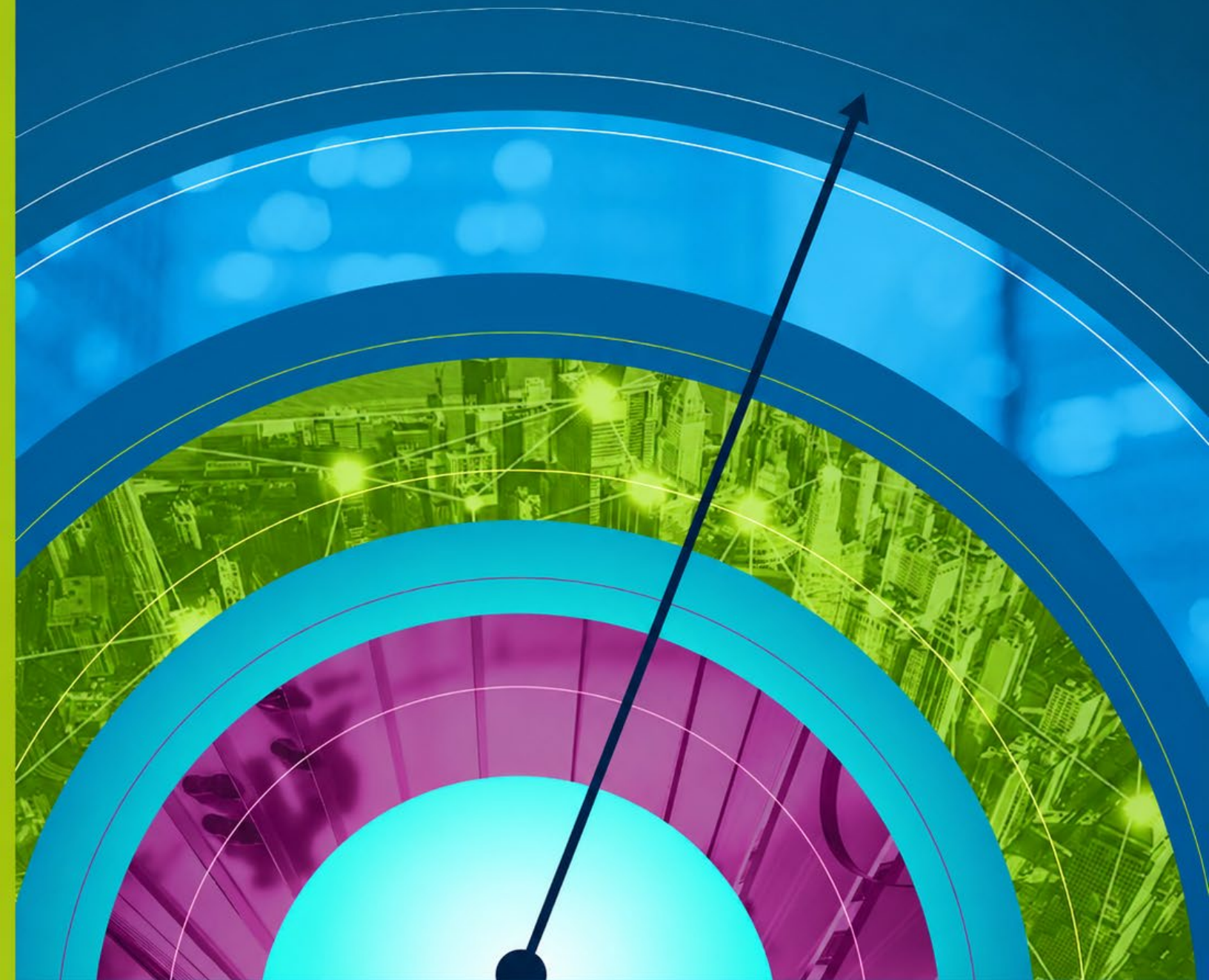




NONPROFIT
CONSULTING GROUP

(The Future-Ready Foundation Leader)

The Competencies and Characteristics That Will Define
Philanthropic Leadership in the Next Era



Leadership Readiness Is Becoming Philanthropy's Greatest Strategic Risk

The demands placed on foundation CEOs have changed significantly, while many leadership selection, assessment, and development practices remain anchored in a prior era. Tenure, institutional familiarity, functional expertise, and past performance still matter, but they are no longer sufficient indicators of readiness for the complexity ahead.

Rising societal expectations, political scrutiny, and reductions in public funding are requiring foundations to act with greater visibility, collaboration, and strategic discipline. At the same time, the sector is facing meaningful CEO transition risk, with many boards acknowledging they are not fully prepared for succession.

The question is no longer whether foundations will experience leadership change. The question is whether they are intentionally defining, assessing, and developing the leaders their future strategies will require.

THE NUMBERS BEHIND THE LEADERSHIP CHALLENGE



of nonprofit organizations report they are not adequately prepared for CEO succession¹



of foundation CEOs expect to transition within the next two years²



of those leaders plan to leave the nonprofit sector entirely²

The Defining Shift in Foundation Leadership

The role has moved beyond institutional stewardship. Future-ready CEOs must balance board expectations, community trust, donor intent, staff alignment, public scrutiny, and measurable impact while strengthening the foundation's credibility and influence in the broader ecosystem it serves.

In this next era, the foundation CEO is not only a steward of institutional assets, but an architect of alignment, legitimacy, and long-term societal impact.



1.) "Executive Transition and Succession Planning," *BoardSource*

2.) Ben Gose, "A Really Tough Job: Nonprofit CEOs Work to Make Their Roles More Manageable," *The Chronicle of Philanthropy*, May 7, 2024.

FIVE QUESTIONS EVERY FOUNDATION SHOULD ASK

The demands of foundation leadership have evolved rapidly, but many organizations continue to define, assess, and develop leaders using models built for a different era. Boards and executive teams should ask whether they are intentionally preparing leaders for the challenges ahead or relying on assumptions about what has driven past organizational success.

Consider these five questions – if they are difficult to answer, leadership readiness may represent a greater risk than is currently visible.

Fortunately, these questions can now be answered with far greater confidence than ever before.



Have we clearly defined the competencies and behaviors required for *future* success in our CEO and executive team?



Do we objectively assess leaders and succession candidates against those *future* requirements, or primarily against past performance and experience?



Are our leadership development investments intentionally building the competencies most critical for *future* effectiveness?



Do we understand the strengths, risks, and readiness of our current leadership team and succession pipeline?



Does our leadership team collectively have the capabilities required for the next era of philanthropy?

The Science Behind the Future-Ready Foundation Leader: Identifying the Leadership Characteristics That Matter Most

To better understand what future foundation CEOs will require, C3 Nonprofit Consulting Group (C3) partnered with Hogan Assessments to apply behavioral science and leadership analytics to the foundation CEO role. Using Hogan's Job Evaluation Tool, 57 senior leaders and subject matter experts from 45 foundations evaluated 62 leadership competencies based on their importance to future CEO success.

57

Senior leaders and subject matter experts

45

Foundations represented

62

Leadership competencies evaluated

FOUR COMPETENCY DOMAINS FOR FUTURE-READY FOUNDATION CEOs

Mission & Strategy

Setting direction and positioning the foundation to remain relevant in a changing societal landscape

Execution for Impact

Translating mission into disciplined, measurable impact

Relationships & Governance

Building trust, alignment, and coordinated action across stakeholders and governing bodies

Personal Capacity

Sustaining credibility, resilience, and effectiveness under pressure

The highest-rated behaviors consistently centered on strategic foresight and external influence, effective execution and accountability for impact, strong relationships and governance, and the personal capacity to navigate uncertainty, reflecting a growing recognition that foundation leadership now extends well beyond institutional stewardship.



THE IMPACT EIGHT

These high-priority behaviors were synthesized into eight competencies across four leadership domains to form the Future-Ready Leadership Index (FRLI), a research-based framework for identifying the capabilities most critical to effective philanthropic leadership in the years ahead. More than a competency model, the FRLI provides foundation boards and executive teams with a data-driven framework for defining, assessing, selecting, and developing leaders against the demands of the future rather than the expectations of the past.

DOMAIN	THE IMPACT EIGHT	DIFFERENTIATING BEHAVIORS
Mission & Strategy	 Visionary Foresight & Direction	Anticipates shifts in societal and community needs, policies, public expectations, and sets a clear direction that concentrates resources on the highest-value opportunities, ensuring the foundation remains relevant and positioned to deliver meaningful results over time.
	 External Influence & Strategic Partnerships	Shapes outcomes beyond the organization by influencing community leaders, policymakers, and partners and by building coalitions that align resources, reduce fragmentation, and scale solutions to complex social challenges.
Execution for Impact	 Accountability for Impact	Delivers measurable progress on mission by establishing clear outcomes, tracking performance with discipline, and ensuring that capital and effort produce tangible results in an environment of increasing scrutiny and constrained resources.
	 Judgment Under Uncertainty	Makes timely, well-calibrated decisions when information is incomplete and stakes are high, balancing mission ambition, reputational risk, and stakeholder expectations while sustaining forward progress.
Relationship & Governance	 Boardroom Stewardship	Enables the board to make informed, forward-looking decisions by clarifying priorities, framing tradeoffs, and aligning governance with evolving strategic and societal demands.
	 Inspiring Action through Alignment	Builds leadership capacity and shared ownership by aligning leaders and teams around clear priorities and expectations, enabling consistent execution and strengthening the organization's ability to deliver results through others over time.
Personal Capacity	 Integrity as Leadership Currency	Builds and sustains trust with communities, partners, and donors by consistently acting with transparency, ethical discipline, and sound judgment, reinforcing the foundation's credibility and license to operate.
	 Endurance Under Pressure	Sustains performance, focus, and effectiveness over time despite ongoing ambiguity, stakeholder demands, and resource constraints, providing stability in sector-facing leadership burnout and high turnover.

The Characteristics of Effective Foundation Leadership

Competencies explain what effective foundation CEOs do. They do not fully explain why some leaders sustain credibility, judgment, and impact through prolonged ambiguity, stakeholder tension, and societal scrutiny while others struggle to adapt.

Drawing on Hogan's three dimensions of workplace personality, the research revealed a distinctive leadership profile consistently associated with sustained effectiveness.

Four characteristics stood out:

- Strategic curiosity and ambition enabled leaders to anticipate societal shifts, challenge legacy assumptions, and evolve faster than the environment around them.
- Emotional steadiness and resilience allowed leaders to absorb pressure without amplifying it, creating consistency and trust during periods of uncertainty.
- Interpersonal sensitivity, empathy, diplomacy, and relational awareness strengthened leaders' ability to navigate increasingly complex relationships across boards, communities, grantees, and partners.
- Disciplined execution translated vision into measurable outcomes and sustained organizational follow-through.

High-performing foundation CEOs also showed a strong commitment to societal impact, collaboration, shared accountability, learning, evidence, and continuous adaptation.

From Research to Action

The Future-Ready Leadership Index identifies the competencies, behaviors, and characteristics most predictive of future leadership success. Yet, most foundations still lack an integrated, competency-based system that consistently defines, assesses, develops, and selects leaders against those requirements. Organizations can close this gap by connecting four essential leadership practices:



The foundations best positioned for the future will treat leadership as a strategic capability, not a periodic succession event. By aligning leadership expectations, assessment, development, executive team effectiveness, and succession around a common definition of future-ready leadership, organizations can build stronger leadership pipelines, make more confident leadership decisions, and ensure they have the capacity to advance their mission through whatever challenges lie ahead.

Is your foundation prepared for its next era of leadership?

Connect with Erica Grant to learn how the Future-Ready Foundation Leadership Index can help your organization identify, assess, develop, and support the leaders it will need next.

[Start a Conversation](#)



Erica Grant
Principal and Lead Researcher

Erica advises foundations on executive assessment, leadership development, succession planning, and leadership team effectiveness, helping boards and executive teams build stronger pipelines of leaders prepared for the challenges ahead.



NONPROFIT CONSULTING GROUP

The challenges facing today's nonprofit organizations demand more than traditional consulting. C3 Nonprofit Consulting Group, a division of SullivanCotter, helps mission-driven organizations reimagine how they lead, organize, reward, and grow to maximize impact. We bring together expertise in governance, leadership, talent, total rewards, and organizational effectiveness to help organizations navigate change, strengthen culture, attract and retain talent, unlock performance, and build the capabilities required for long-term success.