# Building Culture Amidst the Storm

How nonprofit CEOs are building organizational culture while battling the coronavirus

The global lockdown to fight the COVID-19 virus dispersed nonprofit organizations from their traditional work environments into remote and virtual ones.

CarterBaldwin asked the leaders of Compassion International, Habitat for Humanity, Goodwill Industries, and several others how they are maintaining their organizational culture while they continue their important work making a difference in the world.





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#### Jonathan Reckford, President & CEO, Habitat for Humanity International

Habitat for Humanity International has invested heavily in our culture. Just prior to the COVID-19 pandemic, we completed a multi-year effort to identify, develop, and embrace our core cultural values. That timing proved fortuitous because during these uncertain times, these core values — humility, accountability, and courage — have played a critical role in transitions we've made in response to the COVID-19 pandemic.

Culture is often put to the test in times of crisis, and each one of these guiding principles reminds us that we must do what is right even when it's difficult. Humility, for example, means the mission comes ahead of our personal comfort. We've had to make hard choices, including layoffs and pay cuts, among other expense reductions.





**It also means putting our communities first, especially those most at risk.** Since the initial spread of the virus, we took swift action to prevent transmission by suspending volunteer builds involving domestic and international travel, temporarily closing more than 900 home improvement ReStore locations in the U.S. and Canada, and suspending the vast majority of construction activities around the world. We also donated our supplies of masks and personal protection supplies to local hospitals. These measures created immediate financial impacts.

We've held ourselves accountable by creating a COVID-19 task force to assist and inform senior leadership in communicating the difficult decisions we've had to make over the past few months. Understanding that this is a frightening time for many, we wanted to make sure we over-communicated and provided opportunities for our staff, network, partners and volunteers to connect with senior leadership about the changes.

We significantly increased the number of communications from senior leaders, including a series of virtual all-staff and departmental meetings. These types of communication are our way of maintaining our culture across physical distance. Our goal is to be as transparent as possible about the challenges we're facing and what our plan is for dealing with those challenges — which takes courage. We are confident that we will ultimately persevere, but expect this to be a long, slow recovery.

Our Culture and Spiritual Practices team has been leading a daily morning prayer in conjunction with our weekly devotions to help staff feel connected and supported. We've also provided information about our Employee Assistance Plan and other healthcare services. We are committed to care for our people and steward our organization, so that when the time is right, Habitat can fully resume efforts to provide safe and affordable housing around the world with renewed energy and commitment.



#### James Gash, President, Pepperdine University



# PEPPERDINE UNIVERSITY

We were focusing this year on trust building within our leadership team, and now we're trying to extend that throughout the entire university. All team communications begin and end with culture building narratives around who we are and why we exist, and ensure that everything we say is colored by our culture.

We have regular meetings to ensure that we're messaging culture in everything we do. One of the things I told the community early on is how we would make decisions and how we want everyone to make decisions — we prioritize transparency in everything we do, and competence is of critical importance.

I have regular one-on-one meetings with direct reports every other week and often have connected before that appointed time, and talk to my board chair multiple times a week to make sure that she and the rest of the board are up to speed on everything that's happening and get their expertise as well.

We have a weekly president's briefing for the entire faculty, staff, and student population using Zoom. Roughly a thousand people participate on the calls. The briefing begins with a devotional and a time of worship. The worship is led by a recorded video of either one of our students singing or someone from within our community. We've had a psychologist and a public policy expert. I interview a student whose life has been transformed by their experience at Pepperdine and talk with them about their time with us. We also ask faculty members to speak from their areas of expertise. I share what's going on in the community, what we see coming, what decisions have been made, and the basis for each of those decisions, followed by a 20-minute Q&A time.

We answer every question on the call or assign someone to reach out directly to the person and explain the answer if it isn't available at the time of the call. We've gotten into a rhythm where we have multiple communications per week — some in the voice of the President, some are just community updates, but we are constantly updating everybody on what's happening. We're proactively trying to answer questions before they get asked by staying attuned to what people are curious about in our community.

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#### Robin Ganzert, President & CEO, American Humane

I am a strong believer in compassionate leadership not only in these dark times, but in all times. With compassion, caring and hope, we demonstrate our mission each and every day — but in these pandemic times, our humane heroes needed it themselves to navigate the scary and oppressive lockdowns and isolation. Our community morale is very high because as CEO, I offered full transparency in recognizing the significant headwinds we face, while demonstrating that we would make the tough decisions needed guided by our shared principles of love, mission, and community.

We took quick action as the lockdowns started, made immediate and necessary expense cuts, and invested in proven remote work technology. I saw this time as an opportunity for our staff to become better educated for our mission and offered multiple professional development/skills building programs paid for by our organization, even in light of expense cuts. Now is the time to invest in our people. Open communication is paramount. I immediately instituted weekly town halls to ensure open and honest communication with all staff around the world.

Immediately as the lockdowns happened, I convened our executive leadership team for immediate cost saving decisions. With hiring freezes and expense cutting, we trimmed millions from our operating budget in less than a week. I instituted daily executive leader team meetings, checking on the health of our staff who work not only in the U.S., but also in 20 countries around the globe. I then launched a weekly all staff town hall for conversations on remote work policies and new program initiatives, but most importantly for community morale, on decisions made, updates and encouragement to continue to focus on the positive mission of our organization as a bright light in dark times. The weekly town halls continue to bring hope, light and love - and importantly full transparency regarding our decisions to our staff members. I offered my personal cell number to all staff and invited them to call me at any time when they felt lonely or anxious — or if they just needed to talk to another human while guarantining.



AMERICAN\*HUMANE FIRST TO SERVE\*



With the weekly staff town halls, I also encouraged a new "community cheer" email chain where we share our favorite books, photos in quarantine, our animals, our recipes daily — anything that would uplift our American Humane family. The community cheer is so much fun! And one more thing that is so helpful for morale: I offered each employee the chance to meet me for a Zoom Coffee Chat! Over 40% of the staff have taken me up on my offer to meet for coffee, and I find these chats are the best way to show compassionate leadership while building a sense of community. And I just love getting to know everyone on a personal level.

And the quarantine is not only impacting the staff, but also their children. I recorded readings from our award-winning children's stories (with supporting curriculum) and launched it on YouTube so that our staff and constituents could use these tools to help educate their children during the quarantine. Our community is family focused, so the storytelling time has been a huge hit.

#### "Now is the time to look inward first, with compassion, kindness and love, and make sure the humane heroes who deliver on our mission are safe, healthy, and are ready and able to continue our programs when the world opens again.

My job as their leader is to be honest, open, transparent about the challenges, and to love them through this."

Just last week in our staff town hall, I announced parameters for our decision-making moving forward, particularly as states and businesses start to reopen. Here are some of the parameters that we shared to relieve our staff's primary concerns:

- American Humane's leadership team continues to monitor government, scientific, and private sector guidance to determine the appropriate time to reopen our offices. Any reopening will involve rigorous safety and hygiene protocols along with appropriate social distancing measures.
- 2. The executive team is reassessing the annual financial obligations of the organization with a goal of decreasing fixed costs. The team is particularly focused on reducing the overhead costs of office space during a time when we are legally prevented from fully utilizing our spaces.



- 3. While we are anticipating a hybrid office/remote model of work over the next 12-24 months, we are limiting any remote work policy decisions to the short term. **Our goal** is to reduce office space costs in the short term which may involve more remote work and staggered office staffing. We deem this approach appropriate for our current situation but will hold off on making any sweeping long-term remote policy decisions until we have a better understanding of our "new normal."
- 4. Our overarching principle is to manage resources, talent, cash and programs in a manner consistent with our new reality for the next 12-24 months, reassessing along the way as new developments unfold. We will be conservative in our decision making to ensure the best possible decisions for safety, health, mission continuity, and prudent financial stewardship.

Bottom line, American Humane has been all about building a more humane world since 1877. Now is the time to look inward first, with compassion, kindness and love, and make sure the humane heroes who deliver on our mission are safe, healthy, and are ready and able to continue our programs when the world opens again. My job as their leader is to be honest, open, transparent about the challenges, and to love them through this. Because it's the right thing to do.





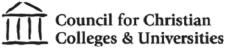


#### Shirley Hoogstra, President, Council for Christian Colleges & Universities

Three things have made a difference in sustaining our culture. First, we stated early our goals of caring for people, preserving cash flow, delivering exceptional member services and restarting or reimagining study abroad in the time of a worldwide pandemic. Second, we stated what specific actions we were taking to accomplish these goals, like applying for the Paycheck Protection Program. Thirdly, our culture is rooted in prayer and education - so we prioritized prayer together and financial literacy for all employees of our organization to build trust and equip each other for maximum understanding of decisions. We like to have fun, too.

Right from the start we began some intentional practices to sustain our spiritual, physical and mental wellbeing. They include twice-a-week prayer calls, twice monthly allstaff meetings via video, and the launch of a private Facebook group as a way for our staff across the country & around the world to connect. We have found that praying together and having some virtual fun together (showing on Facebook what we are cooking during the crisis or one of the toddlers of a colleague social distancing in a funny way) has allowed us to get to know each other in new and delightful ways. We've found that in this season (which presents many challenges for the higher education sector as a whole), we've actually been able to build a newfound sense of unity internally, amidst difficult decisions and prioritization.





The CCCU has 25 staff members who work in our Washington, D.C. office and then about 45 staff members working across the country and around the world on our offcampus study programs. This time has helped us continue to break down silos. Now that we are all working virtually, it's made our virtual connection points more natural and more meaningful. This period of uncertainty and disruption is very difficult and yet it truly brings our global team together as we advocate for a shared mission and purpose: to preserve, protect and strengthen Christian higher education for the long term.



#### Steve Preston, CEO, Goodwill Industries

Goodwill<sup>®</sup> is North America's leading workforce provider, and much of our support is funded through the sale of donated goods. Goodwill is made up of a network of 157 local, community-based 501(c)(3) Goodwill organizations, with a combined 3,500+ retail and outlet stores, 131,000 employees and multiple workforce development centers providing in-person supportive training, development and employment services to nearly 2 million people per year. The role of my organization (GII) is to provide various forms of support, leadership and national capabilities to those 157 individual members. Our team needed to provide our network and its leaders needed urgent and competent support during a time when stores were being closed, financial resources were being strained, and legislation was being passed at a time when we were working through significant reduction in our own financial resources.

**First, we clarified the essential nature of our work and retooled to support our membership in clearly defined, relevant and powerful ways.** By doing so, people were clear on both their roles and on the value of their work.

 We recast our immediate mission to service the urgent needs of our membership. We refocused our work to provide immediate, relevant support in a climate that was evolving every day. Initially, we launched daily webinars on critical topics, bringing in both external experts and internal best practice leaders to discuss issues of immediate relevance. We also kept members abreast of opportunities and issues relating to federal aid/legislation. The webinars targeted both the local CEO level and functional leaders. Attendance has been consistently overwhelming.



- 2. We instituted a COVID-19 rapid response team, which built an intranet; developed business continuity resources, crisis communications and pandemic plans; and provided how-to guides, tools, and links to critical resources and recorded webinars. These resources spanned disciplines of finance and operations, HR and employees, government response, mission and partner-ships, and external communications.
- 3. We established a team to reach out to financially distressed Goodwill members who needed more hands-on support, and we contracted external partners to support them.

**Second, early on, we were extremely transparent with our team on the possibility of furloughs, which we ultimately instituted.** For furloughed employees, we established an employee relief fund and a separate Zoom community for them to stay in touch.

Third, for the remaining employees, we are holding bi-weekly virtual town halls, during which we keep the team abreast of our internal situation (financial, hiring, board issues) so that they feel they have complete visibility into our situation. We also provide them strong affirmation of the great work they are doing through insights into successes, member and board accolades, and team appreciation.

"I think these three areas — insuring they see the incredible value they provide, being highly transparent with our situation to minimize uncertainty, and establishing authentic forums to connect, be honest, and enjoy each other -- have been a winning combination for us."



Finally, we have taken time on Zoom to engage employees on various personal factors, allowing them to type in anonymous comments and then discuss. This community building has been remarkably cathartic and supportive for the team. We pause to let the team engage and shar e what they are going through.

We have also set up ways for the team to connect on a personal level. We instituted a Friday Zoom hangout, allowing the team to show off their children, pets, have story time or participate in show and tell. Employees are also sharing pictures via email of things they do for self-care. Creating these places has turned our virtual workplace into a warmer less sterile environment.

I think these three areas — ensuring our team sees the incredible value they provide, being highly transparent to minimize uncertainty, and establishing authentic forums to connect, be honest, and enjoy each other — have been a winning combination for us.





Linda A. Livingstone, Ph.D. **Baylor University, President** 





At Baylor we consider ourselves a hightouch university. We didn't do a lot of online distance learning except in graduate programs. Less than 10% of our faculty had taught online. In two weeks, it is now one hundred percent, representing a dramatic shift in our culture that prides itself on the intimate student life experiences and activities we create for students.

First, we spent time being very deliberate about figuring out what we can do to provide a high-touch experience consistent with the Baylor way in a different environment. We knew it was important for our faculty and staff, but particularly for our students who are graduating and the prospective students that can't visit campus now. It was a planful and deliberate exercise in a short period of time, where we identified experiences that reinforce the caring community culture of Baylor.

We've worked really hard on our communication, including significant communication from me. The communication includes both serious and fun stuff. I did a TikTok for the first time and sent out budget memos. We recreated some of the normal experience students would have on campus, like when my family and I taught people how to make Dr. Pepper floats on Facebook Live, bringing all the students together to drink Dr. Pepper floats. I try to be very visible in all of those communications, thus reinforcing support for the values and culture of the institution.

We have a day in the Spring we call Dia Del Oso. Dia started in 1932 as a way to "bring smiles to the faces of students," where students take a break from classes and participate in fun activities for a day. We continued this tradition electronically. We are doing something similar for Senior Week to celebrate our graduates. Approximately 14,000 people are engaging in every single one of those activities, which is higher than we would have if we were on campus. And then we've done the same thing for prospective students.



We took the campus to them with tons of Live Chats. I did Live Chats with folks, and we had many other folks doing vignettes that they posted online, and virtual tours of campus. **Once again, we probably touched more people doing remote outreach than we actually would have if people had physically come to our campus.** There are many more touches with every single one of our prospective students than we normally have, and we are reaching students in different ways.

We work hard to support our student needs: spiritual, emotional, mental and their academics. So how do you do that when you don't have them on campus? We shifted our mental health support, our counseling center and our health center support to almost exclusively virtual to continue to meet those student needs. Our chaplain's office shifted to a remote model of providing ministry. Chaplains of our residence halls continue to serve students. Our sports ministry program continues to minister.

I am very proud of a new program we call Bear Care. We know we have stressed students that are struggling with technology, mental health, some who have food insecurity, and some who are trying to take care of their brothers and sisters. 330 faculty and staff volunteered to each take a pool of about 30 students. We have nearly 9,000 students in the Bear Care program who receive a special touch from a faculty or staff member once or twice a week. We will continue to do that until they're back on campus.

"We work really hard to support our student needs: spiritual, emotional, mental, and their academics. So how do you do that when you don't have them on campus? We shifted our mental health support, our counseling center and our health center support to almost exclusively virtual to continue to meet those student needs."

So, as you can see, we worked hard to create high-touch experiences even though we aren't physically together. We have learned a lot and will continue to do some of these things long after everybody returns to campus. I am unbelievably impressed with the way the Baylor community has responded. Frankly, I think part of the reason it's worked so well and part of the reason they responded so well is because that is what our culture is all about. The culture feeds on itself if you keep nurturing it and giving it opportunities to perform.



#### Santiago "Jimmy" Mellado, President & CEO, Compassion International

First and foremost, we prepared ourselves, as much as anyone can for unforeseen events, by making a deliberate decision years ago to establish and build unrestricted reserves to help us better prepare for unexpected, unknown or unwanted events that may come. Reserves don't solve crises. But they do buy time, and time buys flexibility to respond instead of reacting or overreacting to a crisis. These critical dollars help keep a crisis from steering the ministry, thus protecting us from mission drift.

Second, years ago our leadership team made building Compassion's culture a priority. We know that, while financial reserves can help us weather storms, we want to do more than that. **We want** to come through the storms stronger, better. That only happens with a healthy, engaged, fully-committed-tothe-mission workforce.





I recently learned that the Chinese symbol for the word "crisis" is actually composed of two characters: one representing danger and the other, opportunity. **Though danger is present in every crisis, so is opportunity. And while it's important to maintain culture in crisis, I believe it goes far beyond that.** There's opportunity to build culture as well. Edwin Cole, the founder of the

"Though danger is present in every crisis, so is opportunity. And while it's important to maintain culture in crisis, I believe it goes far beyond that." Christian Men's Network said it this way: "Successful people recognize crisis as a time for change - from lesser to greater, smaller to bigger." I think the same applies to companies or organizations. Crisis can be a time to build culture. To be better.





But we have to acknowledge that the way we go about building culture may have to change. Our interaction patterns have flipped. In the past, most of our culture was being built inside our walls. Our buildings were the constant while the majority of our staff came to us. Now, our staff is home bound and we must find ways to bring culture-building to them.

At Compassion, we're doing that through a series of intentional efforts:

- 1. Weekly CEO Livestream broadcast to all global staff with corporate updates, time to worship together and live chat interactions
- 2. Launch of a Global Compassion Family Microsoft Teams site where staff can share encouragement, prayer requests and praises
- 3. Weekly HR support and recommendations for remote work and newly formed virtual teams
- 4. **Workforce Insight Surveys every three weeks** to monitor the impact of the crisis on staff and address needs that arise
- 5. **Redeploying staff whose workload has lightened** due to stay-at-home orders to assist teams who have heavier lifts during the crisis
- 6. **Timely COVID-19 updates via email and on our intranet**
- 7. Cross-functional CFO Task Force that is monitoring financial impacts
- 8. **A cross-functional Incident Response Team** that is managing and planning for short-term, medium-term and long-term implications to the ministry
- 9. **Ongoing investments in long-term strategic priorities and opportunities** (which can only be done if reserves are in place)
- 10. Encouraging staff to look for opportunities that are present in every crisis, opportunities that could establish new and better ways of doing ministry



#### Mike Thirtle, President and CEO, Bethesda Lutheran Communities

Bethesda's mission-based culture is one of innovation and selflessness. We often refer to Bethesda as a 120-year-old start-up, given our commitment to trying new things and valuing original thinking. The culture is centered around a dedication to the organization's purpose. From our Watertown, Wisconsin headquarters, Bethesda provides an array of supports for adults with developmental and intellectual disabilities across the country. Much of this support comes in the form of our community-based residential support services, including shared-living options like host homes and small group homes.

Morale can be challenged when safety and uncertainty become pervasive concerns. **Demonstrating and communicating the organization's priority of maintaining the safety of the people we support, and of our employees, is paramount.** Recognizing this, Bethesda established several new or revised practices to preserve and bolster the organization's culture. Examples include:





- Established a robust heroes' appreciation and recognition program and public website, focused on our frontline, essential workers providing direct care to people we support
- Created a stay safe, stay at home campaign and pledge to engage employees with the importance of their dedication to upholding safety protocols
- Developed a series of motivational, online training and support sessions for employees and leaders to better navigate challenges posed by the coronavirus
- 4. Created robust virtual activity programming to ensure engagement and useful activities for employees and people we support, including exclusive music performances by award-winning music acts, spiritual devotions and services, games and arts activities, and even a weekly virtual dance party on Zoom where employees and people we support dance together every Friday night



- 5. **Disseminated frequent communication via various channels,** including a dedicated COVID-19 intranet site, a daily all-staff email featuring news and information regarding the organization's COVID-19 response and virtual townhalls (presentations by executive leaders and Q&A sessions) with employees twice per week (and with parents and guardians of the people we support twice per week)
- 6. Developed and executed just-in-time trainings for PPE usage and more
- 7. **Developed several new safety protocols and resources** including working remotely, restricted facility access and symptom-checking procedures
- 8. **Sourced and distributed safety equipment** (PPE, disinfecting materials and more) to our employees and facilities
- 9. Utilized Zoom to establish interactive, virtual meeting and activity options

By providing an early response and frequent, transparent communication and engagement with our employees, Bethesda's culture of openness and selflessness remains intact—and is, in fact, strengthened—through the pandemic.

# In Closing

Woven through these stories are the themes of communication, creativity, intentionality, optimism and a present, definable and vibrant culture before the crisis began. Each one of the leaders featured is building culture during this crisis, not merely maintaining it. We hope these ideas and best practices serve as a resource for other organizations that want to develop a more robust culture in good times and the challenging days ahead.

If you have comments or would like to share what your organization is doing to build culture, please email us at <u>culture@carterbaldwin.com</u>.



## **Additional Resources**

- https://www.barrons.com/articles/companies-try-to-figure-out-how-employees-return-to-theoffice-51590318037
- https://www.wsj.com/news/collection/coronavirus0312-256f2943
- https://www.bain.com/insights/covid-19-creates-a-moment-of-truth-for-corporate-culture/
- <u>https://www.habitat.org/covid-19</u>
- https://www.baylor.edu/coronavirus/
- <u>https://bethesdalc.org/covid19-preparedness/</u>
- https://www.bridgespan.org/special-collections/nonprofits-funders-covid-19-coronavirusresources
- https://www.cccu.org/news-updates/cccu-monitoring-response-covid-19/
- https://www.americanhumane.org/blog/presidential-fireside-chat-8/
- https://www.compassion.com/crisis/covid-19.htm
- https://www.pepperdine.edu/coronavirus/default.htm
- https://www.goodwill.org/covid-19-frequently-asked-questions-faq/

#### About CarterBaldwin



CarterBaldwin is a retained executive search firm managed by a partnership team with more than 100 years of combined experience. The company is ranked among the Top 40 search firms in the nation by Hunt Scanlon and recognized consecutively by the prestigious Inc. 500 list of America's fastest-growing privately held companies.

CarterBaldwin's Education & Nonprofit Practice exists to help build exceptional leadership teams to fulfill the missions of the world's leading organizations and institutions. We build relationships with business, government, education, nonprofit organizations, and ministries - connecting us with a diversity of leaders around the world. We deliver excellent results for the unique needs of each client on time and budget.

To discuss how we can build and strengthen your culture through outstanding leadership recruiting, request a consultation at <u>https://carterbaldwin.com/contact/#</u>.

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## **CarterBaldwin Leadership**





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