ENTREPRENEURIAL LEADERSHIP

A framework of competences for the future of Europe's third sector

Project partners

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1) Context

The third sector is changing fast, and most third sector organisations are not adapting much to the new reality. This situation begs for a change in management culture and style. New competences are required and in-service training across Europe should adapt. Competences such as Social Innovation, Advocacy, Entrepreneurial Skills, Impact Evaluation, and Emotional Intelligence are needed. The role of the third sector leader becomes crucial.

"*The question which remains is whether third sector leaders can overcome historic rivalries and the competition for scarce resources to forge a new strategic alliance and a strong strategic narrative vision to exploit that latent power and provide leadership to empower the whole sector.*"

'Third Sector Leadership: The power of narrative', The Third Sector Research Centre, Birmingham, 2012.

Eu3Leader: the project

EU3Leader has created a strategic partnership among organisations dealing with third sector management and leadership in European countries. The project aims to transform current training in third sector management, and to help it make the leap into quality entrepreneurial third sector leadership.

The project duration is 30 months and the partners involved are from the United Kingdom, Spain, Croatia, Austria and Belgium.

Objectives

- Build capacity to move from management to leadership in third sector organisations in Europe, based on emerging challenges and opportunities for these organisations

- Create and consolidate a strategic partnership among a few core organisations working in entrepreneurial third sector leadership in Europe

- Create high quality, publicly accessible and useful materials for third sector training institutions, research professionals and policymakers

Working with leaders, trainers and researchers from across Europe, we are developing a framework and knowhow platform for entrepreneurial leadership in the third sector. The framework will include key competences for leaders in third sector, and will offer an e-learning training programme with resources based on the framework of competences.

Focusing on a range of competences such as entrepreneurialism, advocacy, social innovation and impact evaluation, EU3Leader is the first Europe-wide initiative for improving leadership in our sector.

The EU3Leader Framework will provide a **coherent description of skills, competences and capacity needed to transform professional managers into leaders in the third sector**. The framework will also provide competence acquisition instruments to be used after the two pilots (blended and e-learning). The framework will be based on the challenges and opportunities identified in the 28 EU countries through our research and consultations.

Note that the framework specifically focuses on leadership competences, rather than more general competences required for working in the third sector. Such training is already being provided, as is management training. What sets EU3Leader apart is the focus on entrepreneurial leadership.

Finally, this IO1 will be inspired by the new EntreComp: the entrepreneurial competence framework. The EntreComp framework is a tool developed by the European Commission that seeks to become a reference for any initiative aiming to foster the entrepreneurial capacity of European citizens. It is a shared definition of entrepreneurship as a competence, and aims to establish a bridge between the worlds of education and work.

In EU3Leader we have explored how EntreComp could be useful as the instrument to assess third sector leaders' entrepreneurial competences. In particular we considered how the three main competence areas (Ideas and Opportunities; Resources; Into Action) could be transferred to the following leadership framework.

2) Competences: concept and definition

In a specific context such as the third sector, leadership may be understood as a **set of competences required** for this type of organisation to face challenges, achieve common goals and take on new opportunities.

A common definition of competence is a **combination of knowledge, skills and attitudes that brings about an effective performance**.

We define every competence **through specific behaviours**. So, the behavioural indicators allow to **identify, develop and assess competences** in a very effective way. Any observable behaviour is evidence: it tells us if the competency is or is not acquired, and at what level.

Moreover, to identify and define **learning outcomes**, the list of observable behaviours should help to provide indicators for **evaluating the learning process**.

3) How to use the document

This document is not made for experts in competences. On the contrary, it could be used by any manager, employee or volunteer interested in third sector leadership. Furthermore, no matter the size of your organisation, activity or country, working through these competences should build a solid entrepreneurial leadership, helping you to master positive habits through the related behaviours set out in this framework.

To learn and acquire these habits, we recommend that you choose the personal set of competences that you judge most relevant to your leadership goals in the contenxt of your organisation and team. Then, you will be able to assess and improve your level in those competences, depending on the behaviours you already have or the ones you need to acquire. The main way to acquire and develop a specific competence is to consciously and purposefully use and repeat certain behaviours (also called hints or descriptors).

Below is a suggested exercise to use this document / tools to improve your leadership:

1. **Choose a set of competences** that suits you, depending on your organisation. We recommend selecting at least one competence in each part of the grid, balancing those oriented to task (strategic: external or internal) with those oriented to people (leadership: self or others). That will depend on the size of your organisation, mission, activities or third sector context in your country. Any competence selected should respond to a strategic goal or challenge for your organisation and for you as a leader.

2. **Identify and assess your level in each competence**, reading the behaviours detailed and then pinpointing the level where you master most of them.

   The frequency of your behaviours at any given level (there are four) is the key point here to understanding how you perform in that competence. If you judge yourself to show most of the given

behaviours at a certain level always or frequently, you are probably at that level. Depending on where you assess yourself, you can then set a target to increase the frequency of certain behaviours.

Human behaviour is not linear. So, be aware that you may exhibit many behaviours in the same level, but lack one behaviour in the lower level, and maybe even one or two in the higher level. The results of your assessment will not be exact in terms of levels. You will realise that you are more or less at one specific level. It's not about trying to put yourself into a box.

You will most likely find that the behaviours you have in one competence (or that you are missing) are related. This is because we tend to use the same strategies to get results and to interact with people. On the other hand, we have difficulties in using other strategies or resources (behaviours missed in our competence evaluation).

Finally, to help your assessment, it is very important to also ask others about your daily performance. Getting feedback about the frequency of certain behaviours in a competence can be the best way to assess where you are.

3. To acquire and develop higher levels, you must progress by **training yourself in each behaviour** until you **become a master in habits**.

   Training means, first, to be aware of areas for improvement. Then, you need to choose no more than three behaviours, in one or two competences, and consciously and purposely repeat every time, training yourself until you acquire the habit.

   Reading, watching videos, asking for feedback, and being inspired by others are also good insights for your training path.

4. In the EU3Leader project, we are developing tools to help people in the third sector assess their level of competency and improve on that level. The first product of this sort will be an online self-assessment tool, based on the framework but necessarily somewhat simplified. This is intended to be a gateway to using the full framework as described above. Following this, we will develop learning materials for a selection of the competences and pointers to further resources outside of the project.

4) Methodology

The EU3Leader project started in December 2016. From early 2017, the project focused on researching relevant information:

- Present context of the third sector in all 28 EU countries, its challenges and opportunities (IO2)
- State of the Art on emerging challenges to third sector management and leadership, and analysis on European qualification instruments (IO3)

These two research exercises provided important contextual information – the needs of the third sector across Europe and the current State of the Art of leadership training.

In addition to the two documents above, an extensive review was made of existing competence frameworks (such as EntreComp) and other national frameworks of competences on leadership, entrepreneurship, etc. Some of the documents reviewed include:

- Carreras, I; Leaverton, A; Sureda, M. (2009): "*Leaders for social change. Characteristics and competencies of leadership in NGOs".* Instituto de Innovación Social de ESADE y Fundación PriceWaterHouseCoopers.
- Cátedra LiderazgoS y Governanza Democrática de ESADE (2006): "*Cualidades del liderazgo y competencias de gestión para la responsabilidad de la empresa*". Cuadernos de Liderazgo, nº 10. European Academy of Business in Society.
- Dym, B; Hutson, H. (2005): "*Leadership in Nonprofit Organizations: Lessons from the Third Secto*r". Sage Publications. London.
- Harries, R. (2016): "*Leadership Development in the Third Sector: Bridging Supply and Demand*". Calouste Gulbenkian Foundation and The Barrow Cadbury Trust. London.
- Hillier, A; Hudson, M. (2014): "*Building Outstanding Leadership Teams: Insights from Charity Chief Executives*". Compass Partnership and Centre for Charity Effectiveness at Cass Business School. London.
- Laloux, F. (2014): "*Reinventing Organisations*". Nelson Parker. Brussels.
- Macmillan, R; McLaren, V. (2012): "*Third sector leadership: the power of narrative*". Third Sector Research Centre, Working Paper 76. London.
- Sunnie Giles (2016): "*Las mejores habilidades de los mejores líderes*". Harvard Business Review. https://www.hbr.es/liderazgo/96/estas-son-las-mejores-habilidades-de-los-mejores-l-deres
- Zenger, J; Folkman, J: "*The Skills Leaders Need at Every Level*". Harvard Business Review.
- https://hbr.org/2014/07/the-skills-leaders-need-at-every-level?utm_source=Socialflow&utm_medium=Tweet&utm_campaign=Socialflow#
- Zenger, J (2009): "*The Extraordinary Leader: Turning Good Managers into Great Leaders*". MCGraw-Hill. London.
- Zenger, J; Folkman, J. (2009): "*The Inspiring Leader: Unlocking the Secrets of How Extraordinary Leaders Motivate*". MCGraw-Hill. London.

Finally, we held several discussions with all EU3Leader partner organisations and other experts on the topic, in London (14-16 March 2017), Barcelona (27-29 September 2017) and Brussels (11-13 December 2017).

In this document, we share a set 13 competences and further related ones as a global picture of entrepreneurial third sector leadership. We reached this final list of 13 from a longlist of 41 general competences. Some of these 41 competences are included, with less detail, as related ones in the framework.

5) Framework model: type of competences

Usually a distinction is made between **core competences (those relevant for all third sector organisations) and competences specific to certain sub-sectors, to organisational forms, sizes, countries or regions.** In EU3Leader, the focus is on the first set: **core competences for entrepreneurial leadership in the third sector**.

The framework is divided into four:

- Strategic (internal) - implying behaviours mainly focused within the organisation

- Strategic (external) - implying behaviours mainly focused outside the organisation

- Leadership (others) - implying behaviours mainly focused on interacting with others, whether inside or outside the organisation

- Leadership (self) - implying behaviours mainly focused on oneself

The EU3Leader framework of competences for entrepreneurial leadership in the third sector is:

LEADERSHIP: SELF

STRATEGIC: INTERNAL

LEADERSHIP: OTHERS

STRATEGIC: EXTERNAL

▸ Adaptability
▸ Self-awareness
▸ Learning orientation

▸ Environmental understanding
▸ Creativity & innovation
▸ Analytical thinking

▸ Engaging & developing others
▸ Interpersonal communication
▸ Collaboration

COMMITMENT

▸ Vision & strategical thinking
▸ Financial sustainability
▸ Advocacy

Personal competences

Additional Competences

PLANNING & ORGANIZING   IMPACT ORIENTATION   ALLIANCE BUILDING

EU3LEADER
Developing entrepreneurial third
sector leaders across Europe

Erasmus+

6) COMPETENCES

When we define a set of competences for one group of people, organisation or sector, we are creating a tool called a **Competences Framework**. This is our competences framework for Third Sector Leadership.

Competences

Each competence follows this structure:

☑ **DEFINITION**

Each competence is defined, oriented to the third sector.

☑ **CHALLENGES & OPPORTUNITIES ANSWERED**

Here we detail the third sector challenge (or challenges) to which this competence is responding. (See table at end of this document for details).

☑ **OBSERVABLE BEHAVIOURS, distributed in FOUR LEVELS**

Each behaviour is defined: verbs, sequence, context, approach (task and people, emotional and rational…). These descriptors inside the level allow us to establish **learning outcomes**: visible behaviours to develop, train and assess for every competence.

☑ **RELATED COMPETENCES**

Here we see some other related competences. Behaviours are not one-dimensional (as people are not!) - so some of them will connect with another competence.

This is the general scheme for each competence:
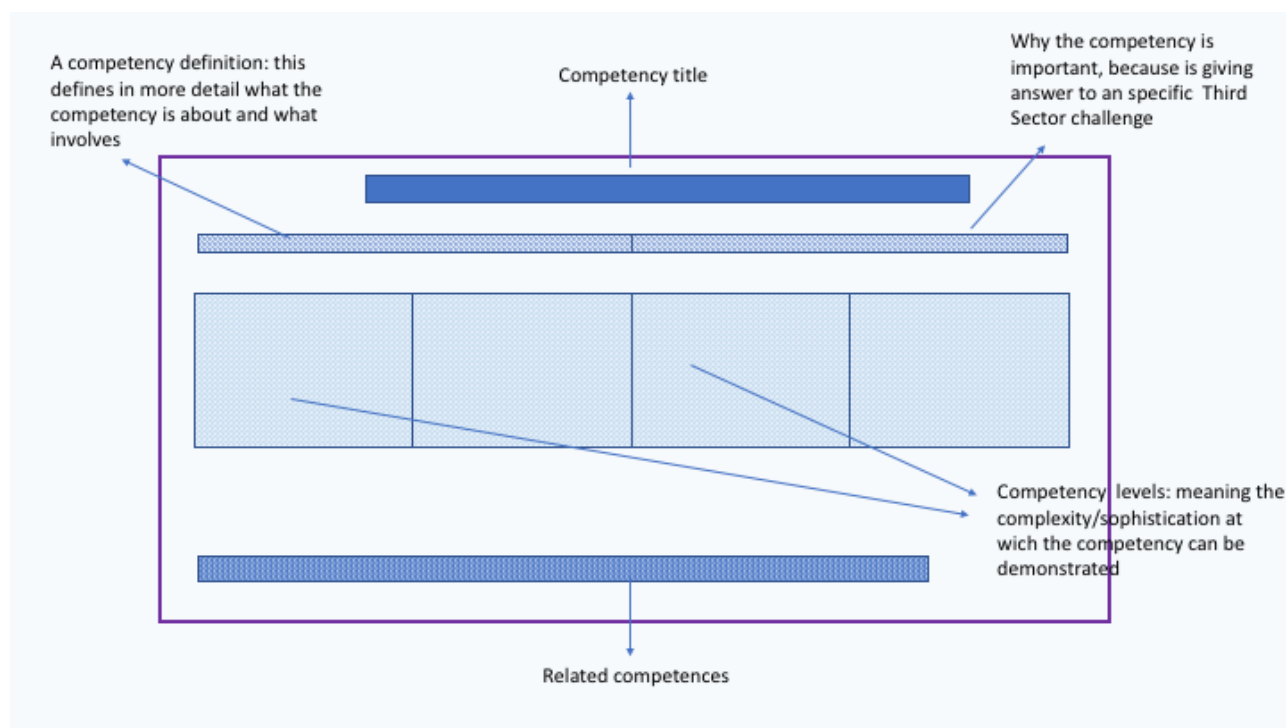
About the levels

We propose **4 levels of acquisition**.

These levels are cumulative. That means, if you have level 2, you have also level 1; if you have level 3, you have behaviours of levels 2 and 1. Level 4 is the maximum level of proficiency. As mentioned above, you may assess yourself at level 3, but be missing some specific behaviours in level 2 - you should however have most of them.

Levels usually correspond to the following attributes, from less (level 1) to more sophisticated (level 4) behaviours:

- ○ Level 1. You have the competence. At the lowest level it means simple skills: behaviours about me, motivating myself, short-term effects, reactive or passive, one-dimensional perspective.

- ○ Level 2. From reactive to active. Now we start including others, managing relations with small groups, motivating teams, thinking about medium-term effects.

- ○ Level 3. Proposal and proactive. Relations with an important group of people, teams and multidisciplinary profiles. Medium and long-term effect. Acting as example or model to others.

- Level 4. Anticipation, global vision, multi-dimensional. Impact at the organisational level. Exploring, creating, and focused on long-term effect.

As mentioned above, people are not linear in their behaviours. That means that it is perfectly possible to have behaviours in a higher level and not in a lower one. This is the 'human factor' in this type of tool.

A classification in one specific level is therefore not exact. But it is valuable nevertheless because it helps us to understand reality and then, to act.

7) Summary of competences and definitions

THIRD SECTOR LEADERSHIP COMPETENCES FRAMEWORK. DEFINITIONS		
CORE	**COMMITMENT**	concerns the motivation to commit to the vision, mission and values of the organisation, aligning one's own interests and behaviours with the needs, priorities and goals of the organisation.
STRATEGIC: EXTERNAL	VISION & STRATEGIC THINKING	concerns the ability to identify objectives, anticipate opportunities and foresee future scenarios, which contribute to the achievement of an organisation's mission.
	FINANCIAL SUSTAINABILITY	refers to the ability to obtain funds from a range of sources to cover the full operating costs as well as a programme and delivery costs, from strategic plans to individual actions, understanding environment to identify opportunities and to create value to funders and to the organization. This also implies knowledge and understanding (e.g. financial analysis, accounting, budgeting) to accurately identify opportunities and risks in organisation strategies.
	ADVOCACY	is about persuading or influencing someone to change his/her position, achieving positive outcomes in support of for the mission of the organisation. This may also include campaigning, agenda-setting, channel spontaneous movements and protests both in own market/sector or country but also Europe-wide and globally.

STRATEGIC: INTERNAL	ENVIRONMENTAL UNDERSTANDING	concerns the ability to clearly read opportunities and threats in the sector/market and weaknesses and strengths in the organisation, to identify the most appropriate strategic response.
	CREATIVITY & INNOVATION	is about developing original, purposeful and impact-focused solutions, ideas or approaches to improve effectiveness and efficiency in reaching the organisation's goals.
	ANALYTICAL THINKING	is the ability to identify problems, analyse significant information, look for and present relevant data to figure out a conceptual map that can help to make decisions and solve the issue. It also includes the ability to identify patterns or keys in complex situations that are not obviously related.
LEADERSHIP: OTHERS	ENGAGING and DEVELOPING OTHERS	is about encouraging, inspiring and supporting others to develop confidence and capability to help them realise their full potential and to achieve common goals as a team.
	INTERPERSONAL COMMUNICATON	is the ability to listen, seek and express ideas and messages effectively, using coherent speech (verbal, nonverbal and emotional) in private or public situations, and active listening to fully comprehend what others are saying.

	COLLABORATION	is about working in a cooperative way with others, both within and outside the organisation, even beyond own market/sector or country, combining individual with interdependent and common goals, based on common values and a shared culture.
LEADERSHIP: SELF	ADAPTABILITY	is about effectively adapting your behaviours to a variety of situations, individual or groups, either expected or unexpected. It also shows versatility to accept changes or difficulties in achieve goals, individual or organisational.
	SELF-AWARENESS	is about identifying own beliefs, values, strengths and weaknesses, and understanding the impact that they have on emotions and behaviours. It is also about controlling emotions in difficult situations, responding appropriately, recognising own 'triggers' and how one's behaviour impacts on others.
	LEARNING ORIENTATION	is the capability to keep focused on updating and increasing knowledge, skills and experiences to consistently improve performance. To do this, one seeks learning opportunities, shares knowledge with others and applies learning to the job.

8) Related documents

This document should be connected, for a better understanding, to the Intellectual Outputs 2 and 3 (IO2 & IO3) of this EU3Leader project:

⇨ IO2: *"Still Standing for Good: Opportunities and challenges for Europe's third sector leaders",* by Vienna University of Economics and Business.

⇨ IO3: '*State of the Art' report on research relating to entrepreneurial third sector leadership*" and "*The perspective of Third Sector leadership across Europe: summary overview report of the survey-based research*", by Open University Business School.

The challenges and opportunities identified and described in these two papers are necessarily related with every single competence selected.

We also recommend reading "*EntreComp: The Entrepreneurship Competence Framework*" by Joint research centre (JRC), 2016.

9) Into action

Based on this framework, the project will create a platform to create a pilot training course. This training, using blended learning and e-learning, will help users to develop the competences selected in this framework.

The competences framework is only useful in so far as we build the capacity to acquire and develop each competence. Every leader is responsible for improving their own behaviours in their everyday work.

EU3LEADER FRAMEWORK OF COMPETENCES

LEADERSHIP: SELF
- Adaptability
- Self-awareness
- Learning orientation

STRATEGIC: INTERNAL
- Environmental understanding
- Creativity & innovation
- Analytical thinking

LEADERSHIP: OTHERS
- Engaging & developing others
- Interpersonal communication
- Collaboration

STRATEGIC: EXTERNAL
- Vision & strategical thinking
- Financial sustainability
- Advocacy

COMMITMENT

Personal competences

Additional Competences

PLANNING & ORGANIZING   IMPACT ORIENTATION   ALLIANCE BUILDING

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sector leaders across Europe

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COMMITMENT

Definition	Responds to EU3Leader challenges & opportunities
COMMITMENT concerns the motivation to commit to the vision, mission and values of the organisation, aligning one's own interests and behaviours with the needs, priorities and goals of the organisation.	☑ Mobilising and keeping volunteers/Motivation of regular staff ☑ Public image and trust in the sector ☑ Impact measurement ☑ Organisational management

Level 1	Level 2	Level 3	Level 4
⇨ Is aligned with the mission of the organisation ⇨ Makes personal or group concessions to meet a larger organisational goal ⇨ Own values and commitment are aligned with the mission of the organisation ⇨ Uses the organisation's core values in making everyday decisions and clarifying choices ⇨ Makes efforts to keep motivated and to motivate on that basis	⇨ Develops and implements actions aligned with mission and strategy ⇨ Convinces others of the need for adaptation or change to achieve organisation's goals ⇨ Is persistent with intentional reference to mission, values and vision through verbal and written communication ⇨ Shows pride in being part of the organisation and shows it, internally and externally	⇨ Helps others to understand how their work supports mission and strategy ⇨ Constructively critical, attitude and behaviours show enthusiasm to achieve mission and strategy ⇨ Aligns people and processes with mission and strategy ⇨ Involves people in organisation's achievements (and gives credit for their role in them)	⇨ Promotes development of initiatives aligned to mission and strategy ⇨ Continuously monitors challenges and opportunities related to mission ⇨ Conveys to external stakeholders (government, media, funders, clients...) enthusiasm and commitment ⇨ Strives consistently to create commitment in the team and recruit people with commitment

RELATED COMPETENCES
→ Vision & strategic thinking, organisational understanding

STRATEGIC: EXTERNAL

VISION & STRATEGIC THINKING

Definition	Responds to EU3Leader challenges & opportunities
VISION & STRATEGIC THINKING concerns the ability to identify objectives, anticipate opportunities and foresee future scenarios, which contribute to the achievement of an organisation's mission.	☑ Ensure sustainable resources ☑ Development of leadership competences ☑ Organisational management / Professionalisation ☑ Strong governance

Level 1	Level 2	Level 3	Level 4
⇨ Sets goals and identifies improvements for the future (short or medium term) ⇨ Understands connection between personal and organisational objectives ⇨ Is aware of environmental trends ⇨ Realigns regular activities to meet long-term objectives better	⇨ Turns long-term vision into effective actions ⇨ Anticipates potential opportunities that improve organisation's performance ⇨ Sets and monitors indicators of environmental change in own market/sector and beyond ⇨ Ensures team knows strategy and sets goals for its realisation	⇨ Visualises future scenarios based on the trends and intuition, to guide efforts and actions ⇨ Identifies and keeps in touch with external stakeholders who can facilitate organisation's goals ⇨ Regularly reviews own objectives to ensure they support mission ⇨ Projects a shared vision, which motivates people and drives results	⇨ Is able to make complex analysis to create a new concept that is not at first visible to others ⇨ Restructures processes to anticipate future changes ⇨ Assesses and creates alternative scenarios to face challenges ⇨ Develops alliances with stakeholders, or even competitors, to meet opportunities and solve problems

RELATED COMPETENCES
→ Planning & organising, Commitment, Analytical thinking, Impact orientation, Environmental understanding

FINANCIAL SUSTAINABILITY

Definition	Responds to EU3Leader challenges & opportunities
FINANCIAL SUSTAINABILITY refers to the ability to obtain funds from a range of sources to cover the full operating costs as well as a programme and delivery costs, from strategic plans to individual actions, understanding environment to identify opportunities and to create value to funders and to the organization. This also implies knowledge and understanding (e.g. financial analysis, accounting, budgeting) to accurately identify opportunities and risks in organisation strategies.	☑ Funding ☑ Diversify funding sources / Ensure sustainable resources ☑ Entrepreneurial thinking ☑ Impact measurement

Level 1	Level 2	Level 3	Level 4
⇨ Is available to funders ⇨ Establishes systems to collect feedback from funders ⇨ Interprets financial information from sources such as balance sheets, profit and loss statements, etc. ⇨ Distinguishes and is aware of different financial sources in the organisation: public or private, potential or real	⇨ Keeps current and potential funders up to date and informed ⇨ Puts him/herself in the position of funders to understand needs and interests ⇨ Estimates the cost of turning an idea into a value-creating activity ⇨ Makes quantitative financial calculations based on understanding of financial information	⇨ Keeps thinking constantly about how to add value to funders ⇨ Knows when and how to politely decline an inappropriate opportunity ⇨ Uses appropriate financial strategies and systems to optimise financial resources and limit risk to the organisation ⇨ Plans and evaluates the impact of financial decisions over time	⇨ Considers effect on funders when making organisational decisions ⇨ Segments types of funders, differentiating actions depending on their needs ⇨ Integrates financial data effectively among criteria for decision-making in terms of strategies and plans ⇨ Manages financing to make sure value-creating activities can last over the long-term

RELATED COMPETENCES
→   Strategic thinking, Organisational understanding, Efficiency, Analytical thinking

ADVOCACY

Definition	Responds to EU3Leader challenges &opportunities
ADVOCACY is about persuading or influencing someone to change his/her position, achieving positive outcomes in support of for the mission of the organisation. This may also include campaigning, agenda-setting, channel spontaneous movements and protests both in own market/sector or country but also Europe-wide and globally.	☑ Funding ☑ Impact measurement ☑ Intra an intersectoral cooperation ☑ Networking and building relationships

Level 1	Level 2	Level 3	Level 4
⇨ Uses facts, data and rational arguments to persuade and influence ⇨ Prepares and plans an approach to tackle a mission or specific goal, collecting data ⇨ Designs and plans agenda for a cause ⇨ Creates alliances inside the organisation to align internally strategic goals	⇨ Builds bonds in common interests with others to influence them ⇨ Identifies the decision-makers at all levels and builds relationships with those who will be useful now and in the future ⇨ Integrates potential partners in a campaigning process, even seeking support internationally ⇨ Builds bridges within the sector/market to strengthen conditions for the sector	⇨ Analyses possible stakeholders' interests to increase support for a cause or project ⇨ Actively lobbies and creates coalitions, even behind the scenes, internationally where relevant ⇨ Follows up and evaluates the impact of a campaign ⇨ Invests in good relations with for-profit organisations, governments at all levels and universities	⇨ Gains clear internal and external support for a specific cause ⇨ Establishes agreements with other organisations that result in win-win outcomes" ⇨ Anticipates obstacles and risks in a campaign and takes mitigating actions ⇨ Identifies and creates opportunities to initiate new partnerships within and beyond own market/sector that will facilitate the achievement of strategic goals

RELATED COMPETENCES
→ Commitment, Vision & strategic thinking, Alliance-building, Interpersonal communication

STRATEGIC: INTERNAL

ENVIRONMENTAL UNDERSTANDING

Definition	Responds to EU3Leader challenges & opportunities
ENVIRONMENTAL UNDERSTANDING concerns the ability to clearly read opportunities and threats in the sector/market and weaknesses and strengths in the organisation, to identify the most appropriate strategic response.	☑ Impact measurement ☑ Intra- and intersectoral cooperation ☑ Organisational management

Level 1	Level 2	Level 3	Level 4
⇨ Quickly analyses information which is affecting the organisation ⇨ Is attentive to environmental changes ⇨ Understands the way things are done within the organisation and knows how to act in different situations ⇨ Demonstrates curiosity and seeks to be well informed, not only about the organisation, but also about the sector and general context	⇨ Sets up periodic mechanisms to collect information, holding informal internal meetings to better know the organisation and stakeholders ⇨ Seeks to understand why something happened by asking open-ended questions such as who? how? why? which? ⇨ Monitors regulations, trends or any issues that affect the organisation or its stakeholders ⇨ Knows the strengths and weaknesses of the organisation in pursuing its mission	⇨ Establishes systematic research using different ways of obtaining quantitative and qualitative data ⇨ Makes strategic decisions based on a broad understanding of different perspectives and diversity ⇨ Is willing to explore critical differences between the organisation's goals and other actors' goals to ensure mutually beneficial results ⇨ Evaluates alternative scenarios and relevant strategies for them	⇨ Analyses and evaluates the sector/market and wider economic and political trends, to learn about its evolution and identify new opportunities ⇨ Analyses the context, combining intuition and data to create a new proposal not obvious to others ⇨ Reaches out to other organisations in the same sector also in other countries, generating opportunities ⇨ Generates partnerships and alliances to facilitate the achievement of organisational goals

RELATED COMPETENCES
→ Vision & strategic thinking, Analytical thinking

CREATIVITY & INNOVATION

Definition	Responds to EU3Leader challenges & opportunities
CREATIVITY & INNOVATION is about developing original, purposeful and impact-focused solutions, ideas or approaches to improve effectiveness and efficiency in reaching the organisation's goals.	☑ Social innovation ☑ Entrepreneurial thinking ☑ Development of leadership competences

Level 1	Level 2	Level 3	Level 4
⇨ Explores and pilots new initiatives and innovative approaches to improve performance in own field ⇨ Keeps informed about innovative responses produced by other actors in own market/sector, Europe-wide and globaly ⇨ Approaches with curiosity open-ended problems (those that can have many solutions) ⇨ Is predisposed to adopt new ideas or proposals of other actors in response to similar situations or problems	⇨ Develops several ideas and opportunities to create value, including better solutions to existing and new challenges ⇨ Introduces changes in working methods to find new ways of achieving goals ⇨ Seeks actively for new solutions that improve the value-creating process further than his/her own area ⇨ Seeks a better personal performance by doing something different that has not been done before	⇨ Develops innovative ideas, anticipating problems and needs of the team, the organisation or the beneficiaries ⇨ Asks others to search for new solutions to emerging or recurrent problems, including internationally ⇨ Seeks ways to advance the knowledge base in support of the mission and resources to achieve added value for the organisation ⇨ Proactively develops new approaches to tackle usual problems or needs of the team, the organisation or the beneficiaries	⇨ Introduces new approaches to improve the performance of their team, mission or whole organisation, including adapting approaches from other actors, also Europe-wide and globally ⇨ Promotes an open-minded environment for other team members to generate innovative and creative thinking, by leading by example and by creating space for this ⇨ Encourages and helps others to create value by encouraging experimentation and using creative techniques ⇨ Reaches out to other actors, including Europe-wide/globally, to co-create new solutions to shared problems in the sector/market, generating, developing and testing ideas that create value

RELATED COMPETENCES
→ Learning orientation, Adaptability, Initiative

ANALYTICAL THINKING

Definition	Responds to EU3Leader challenges & opportunities
ANALYTICAL THINKING is the ability to identify problems, analyse significant information, look for and present relevant data to figure out a conceptual map that can help to make decisions and solve the issue. It also includes the ability to identify patterns in complex situations that are not obviously related.	☑ Impact measurement ☑ Organisational management ☑ Diversify funding sources

Level 1	Level 2	Level 3	Level 4
⇨ Discerns significant/ critical from irrelevant information to analyse a significant ⇨ Establishes connections between quantitative and qualitative data ⇨ Distinguishes cause-effect links from correlation ⇨ Makes a rapid analysis about situations or problems based on facts and patterns	⇨ Sets clear judgements of a problem, considering a variety of elements ⇨ Identifies missing information and makes reasonable assumptions to analyse a situation to solve the problem ⇨ Collects information from a variety of sources to describe and understand a situation ⇨ Breaks down a complex problem or situation into manageable parts	⇨ Looks for and coordinates relevant data to draw up a conceptual map of the general situation ⇨ Identifies the critical connections or patterns between different situations ⇨ Dedicates time to seek additional data in the analysis of the situations before taking decisions ⇨ Focuses on relevant facts or references in a problem with a view to presenting alternatives	⇨ Designs frameworks that guide analysis, based on a mixture of analysis and experience ⇨ Distinguishes the influence of every aspect of the analysis to create a better solution ⇨ Establishes systematic processes to gather information ⇨ Designs indicators arising from the analysis of other situations to improve decision-making for future challenges

RELATED COMPETENCES

→ Environmental understanding, Financial Sustainability, Planning & organising

LEADERSHIP: OTHERS

ENGAGING & DEVELOPING OTHERS

Definition	Responds to EU3Leader challenges & opportunities
ENGAGING and DEVELOPING OTHERS is about encouraging, inspiring and supporting others to develop confidence and capability to help them realise their full potential and to achieve common goals as a team.	☑ Mobilise and keep volunteers/Motivation and retention of regular staff ☑ Development of leadership competences ☑ Intra- and intersectoral cooperation ☑ Networking and building relationships

Level 1	Level 2	Level 3	Level 4
⇨ Sets clear direction and gives step-by-step guidance for team goals ⇨ Lets people know exactly what is expected of them ⇨ Builds others' confidence, making them feel better equipped ⇨ Shows interest in others' work, making explicit reference to their skills and potential ⇨ Provides others with the necessary information for a good performance	⇨ Provides supportive environment by securing necessary resources ⇨ Provides the goal but lets others find the best way to achieve it ⇨ Analyses team difficulties and proposes suitable training ⇨ Gives timely and specific feedback on what has been done well, and what needs to be improved ⇨ Helps individuals to start again when setbacks occur ⇨ Says explicitly that personal and professional development skills are important	⇨ Presents more questions than answers; says: '*I don't know. What would you do?*' ⇨ Sets a strong example through own behaviour in self-development activities ⇨ Seeks feedback from others to challenge own assumptions about an individual performance or development need ⇨ Makes evident behavioural changes after receiving 360 feedback ⇨ Keeps regular meetings with others to follow up goals and help them to find own solutions ⇨ Encourages work-life balance in team to maintain healthy workforce and promote long-term effectiveness	⇨ Delegates tasks regularly ⇨ Provides new work experiences and follows up the results ⇨ Identifies inequalities of opportunity within the workplace and takes steps to address them ⇨ Empowers others to overcome difficulties and to achieve goals beyond their regular performance ⇨ Communicates and gains team commitment to the vision in detail and to the experience of achieving it ⇨ Nurtures strong team identity and pride with specific and explicit words and tools

⇨ Identifies and shares common goals for the team ⇨ Clearly states consequences of not achieving a goal			
RELATED COMPETENCES			
→ Commitment, Collaboration, Team-working, Alliance-building			

INTERPERSONAL COMMUNICATION

Definition	Responds to EU3Leader challenges & opportunities
INTERPERSONAL COMMUNICATION is the ability to listen, seek and express ideas and messages effectively, using coherent speech (verbal, nonverbal and emotional) in private or public situations, and active listening to fully comprehend what others are saying.	☑ Mobilise and keep volunteers/Motivation and retention of regular staff ☑ Development of leadership competences ☑ Networking and building relationships ☑ Public image and trust in the sector

Level 1	Level 2	Level 3	Level 4
⇨ Organises thoughts and ideas consciously and with care ⇨ Clarifies purpose and importance of the message; stresses major points ⇨ Asks for expectations ⇨ Makes good oral and written presentations	⇨ Adjusts vocabulary to the audience or the person he/she is speaking to ⇨ Presents message in different ways to enhance understanding ⇨ Attends to messages from others; correctly interprets messages and responds appropriately ⇨ Asks open questions that draw out listener's understanding	⇨ Uses appropriate nonverbal communication ⇨ Uses examples or metaphors in speech to clarify ideas and concepts ⇨ Uses active listening skills effectively (silence, echo) ⇨ Combines different techniques of exposition, narration or argumentation in accordance with the audience and the purpose	⇨ Consciously uses consistent nonverbal communication (posture, body language, eye contact and gestures) ⇨ Tailors rhythm and emotional language to the context, message and audience ⇨ Checks own understanding of others' communication through paraphrasing, reformulating ⇨ Can tell convincing stories that enhance the purpose of the organisation

RELATED COMPETENCES

→ Active listening, Empathy, Advocacy, Collaboration

COLLABORATION

Definition	Responds to EU3Leader challenges & opportunities
COLLABORATION is about working in a cooperative way with others, both within and outside the organisation, even beyond own market/sector or country, combining individual with interdependent and common goals, based on common values and a shared culture.	☑ Mobilise and keep volunteers/Motivation and retention of regular staff ☑ Networking and building relationships ☑ Entrepreneurial thinking ☑ Intra an intersectoral cooperation

Level 1	Level 2	Level 3	Level 4
⇨ Helps those who request it ⇨ Shares relevant information with colleagues ⇨ Gives positive feedback and recognition ⇨ Clarifies the purpose, roles and responsibilities of team members ⇨ Spots opportunities for collaboration	⇨ Helps others spontaneously ⇨ Makes sure the group shares information ⇨ Proactively shares information and lessons with the team ⇨ Gives and asks for feedback, positive or negative ⇨ Adapts behaviour if necessary to improve teamwork ⇨ Speaks positively of team members	⇨ Assumes additional responsibilities if necessary to achieve team goals ⇨ Expresses different points of view or concerns about working issues, remaining factual and respectful ⇨ Supports the team's decisions, even if he/she disagrees ⇨ Quickly familiarises new colleagues with purpose and expected behaviour ⇨ Strengthens team spirit by asking others to contribute	⇨ Prioritises common/organisational goals putting own aspirations aside ⇨ Sets up regular mechanisms to keep all the team updated ⇨ Talks explicitly about conflicts, and prevents and helps to resolve them ⇨ Generates agreed alliances among team members to set a team culture and common places ⇨ Involves others in team decisions and activities according to their individual abilities and interests

RELATED COMPETENCES
→ Commitment, Engaging & developing others, Team-working, Empathy

LEADERSHIP: SELF

ADAPTABILITY

Definition	Responds to EU3Leader challenges & opportunities
ADAPTABILITY is about effectively adapting your behaviours to a variety of situations, individual or groups, either expected or unexpected. It also shows versatility to accept changes or difficulties in achieve goals, individual or organisational.	☑ Entrepreneurial thinking ☑ Diversify funding sources ☑ Social innovation

Level 1	Level 2	Level 3	Level 4
⇨ Responds appropriately to new and changing situations ⇨ Tries to understand the arguments when unforeseen changes occur ⇨ Applies procedures flexibly, depending on the specific situation, to get results more effectively ⇨ Provides alternatives to the: "*it has always been done that way*" mentality	⇨ Accepts explicitly well-reasoned changes in the work environment ⇨ Listens to other people's points of view, even reconsidering his/her own position ⇨ In unforeseen situations, adapts habitual responses to achieve goals ⇨ Copes well with uncertainty and ambiguity	⇨ Can generate new answers or adapt tested solutions to address new situations ⇨ Creates consensus in team about importance of adaptability and flexibility ⇨ Adapts the general plan, goal or project to fit the situation ⇨ Responds constructively to situations of uncertainty, like lack of resources or crisis situations	⇨ Is an example of adaptability and flexibility in their daily personal behaviour ⇨ Encourages others to see the positive outcomes and benefits to adapting to changes, referring back to mission ⇨ Is permanently evaluating and monitoring work methods and procedures to improve the results ⇨ Identifies his/her own or others' resistance to change, and sets strategies to overcome it

RELATED COMPETENCES
→ Initiative, Change management, Self-awareness

SELF-AWARENESS

Definition	Responds to EU3Leader challenges & opportunities		
SELF-AWARENESS is about identifying own beliefs, values, strengths and weaknesses, and understanding the impact that they have on emotions and behaviours. It is also about controlling emotions in difficult situations, responding appropriately, recognising own 'triggers' and how one's behaviour impacts on others.	☑ Development of leadership competences ☑ Networking and building relationships ☑ Strong governance		

Level 1	Level 2	Level 3	Level 4
⇨ Remains calm, especially in stressed or difficult moments ⇨ Identifies and assesses his/her own strengths and weaknesses ⇨ Understands how his/her own behaviours/emotions impact on others ⇨ Identifies and distinguishes his/her own needs, expectations or aspirations	⇨ Can maintain effectiveness in adverse situations ⇨ Seeks and accepts feedback from others in a constructive way ⇨ Identifies own emotional 'triggers' to avoid acting immediately ⇨ Recognises personal bias or preferences before facing a situation	⇨ Shows others serenity, and even sense of humour, in difficult or extreme situations ⇨ Is able to recognise his/her own emotions, to name them and to choose which emotions to express or control ⇨ Can read and prevent others' emotions and reactions, and manage them within team ⇨ Makes honest requests conveying clearly his/her emotions and needs	⇨ Calms others, trying to find solutions to stress-inducing situation ⇨ Prevents or prepares people for situations that arouse strong and uncontrolled emotions ⇨ In tense or difficult situations, is counting on the confidence of team members, funders and beneficiaries ⇨ Rehearses techniques or activities to manage emotions or stress

RELATED COMPETENCES
→ Emotional regulation, Resilience, Frustration tolerance

LEARNING ORIENTATION

Definition	Responds to EU3Leader challenges & opportunities
LEARNING ORIENTATION is the capability to keep focused on updating and increasing knowledge, skills and experiences to consistently	☑ Social innovation ☑ Entrepreneurial thinking

		Development of leadership competences ☑

improve performance. To do this, one seeks learning opportunities, shares knowledge with others and applies learning to the job.

Level 1	Level 2	Level 3	Level 4
⇨ Recognises a lack of knowledge in oneself ⇨ Sees every occasion as a learning opportunity ⇨ Asks questions very frequently, even at the risk of appearing foolish ⇨ Keeps updated with technical information needed for a standard performance	⇨ Seeks feedback as a source to identify unexpected areas for learning ⇨ Implements new knowledge and lessons learnt in everyday work ⇨ Participates periodically in learning activities (e.g., courses, workshops, self-study, coaching, experiences…) to update knowledge and skills ⇨ Tries to acquire new learning or skills, even from outside own sector/market/country that can be put into practice on the job	⇨ Understands 'failure' as a source of learning ⇨ Promotes and supports development ⇨ Dedicates time to reflect and learn with others, team members, funders or beneficiaries ⇨ Proactively introduces new and more efficient ways to perform tasks on basis of learning ⇨ Actively seeks out new learning opportunities to enhance job performance, even Europe-wide	⇨ Seeks to introduce new habits for a better performance ⇨ Helps others to achieve their goals and share proactively their learning for better performance ⇨ Is recognised and sought out as an expert ⇨ Consistently ensures evaluation of activities and projects ⇨ Establishes and wins support for knowledge management across the whole organisation

RELATED COMPETENCES

→ Creativity & Innovation, Initiative, Adaptability

Related Competences

COMPETENCE	DEFINITION	DESCRIPTORS/BEHAVIOURS
IMPACT ORIENTATION	Is about designing measurable projects, following up the results and establishing indicators and methods to calculate the investment value, always in terms of impact.	☑ Manages and controls the process of creating social impact to maximise or optimise it (relative to costs) ☑ Integrates impact measurement systematically in every investment management process ☑ Considers how impact measurement relates to the everyday work of funding and building stronger social purpose organisations ☑ Calculates outcomes while acknowledging (and if possible adjusting for) those factors that contribute to increasing or decreasing the impact of the organisation ☑ Distinguishes clearly outputs, outcomes and impact ☑ Selects indicators to identify factors that provide measurable evidence for a situation ☑ Combines quantitative or qualitative techniques for valuing impact ☑ Verifies at regular intervals that the expectations of other stakeholders, like funders, investors or human resources, are met ☑ Identifies and defines corrective actions if the overall results deviate from expectations
ALLIANCE-BUILDING	Is about building and maintaining friendly, trustworthy and open relationships with people or organisations with common	☑ Creates networks with individuals from other organisations or groups to share ideas and collect information ☑ Builds positive and reciprocal relationships that benefit the organisation ☑ Actively nurtures and expands both formal and informal contacts

	interests who may help to achieve the organisation's goals.	☑ Identifies current or past contacts that can help, with information or assistance, to achieve organisational goals ☑ Maintains and develops a range of contacts, and keeps them informed ☑ Learns to make first impressions count ☑ Introduces team members personally to significant outside contacts ☑ Builds bonds with others and uses these to persuade, convince or gain support
PLANNING & ORGANISING	Is about developing action plans needed to achieve the objectives set, measuring resources, such as constraints of time, financial or human. Also involves setting appropriate measures of control and monitoring systems to follow up activities.	☑ Makes plans to manage time and resources and follows up the plan ☑ Meets deadlines, dates and deliverables ☑ Effectively sets up goals and priorities for any task/project ☑ Avoids irrelevant issues or distractions interfering with work completion to be more efficient ☑ Provides regular mechanisms to evaluate progress of established tasks ☑ Manages own time effectively ☑ Is able to coordinate simultaneously multiple projects ☑ Anticipates setbacks or difficulties that may impact on the goals ☑ Sets up contingency plans previewing problems arising ☑ Creates a working environment that is well-planned and organised (calendars, meetings, etc.)

Summary of third sector challenges and opportunities

Third Sector Challenges and Opportunities	Related competences
Funding	Financial sustainability Advocacy
Diversify funding sources	Financial sustainability Analytical thinking Adaptability
Ensure sustainable resources	Vision & Strategic thinking Financial sustainability
Social innovation	Creativity & Innovation Adaptability Learning orientation
Entrepreneurial thinking	Creativity & Innovation Collaboration Adaptability Learning orientation
Mobilize and keep volunteers	Commitment Engaging & Developing others Interpersonal communication Collaboration
Motivation and retention of regular staff	Commitment Engaging & Developing others Interpersonal communication Collaboration
Development of leadership competences	Vision & Strategic thinking Creativity & Innovation Engaging & Developing others Self-awareness Learning orientation
Public image and trust in the sector	Commitment

	Interpersonal communication
Impact measurement	Commitment Financial sustainability Advocacy Environmental understanding Analytical thinking
Organisational management	Commitment Vision & Strategic thinking Environmental understanding Analytical thinking
Intra an intersectoral cooperation	Advocacy Environmental understanding Engaging & Developing others Collaboration
Professionalisation	Vision & Strategic thinking
Networking and building relationships	Advocacy Engaging & Developing others Interpersonal communication Collaboration Self-awareness
Strong governance	Vision & Strategic thinking Self-awareness