

# Maryland Nonprofits

## FEATURE ARTICLE

### **Facilitating Executive Director Transition: Some Lessons for the Transitioning Executive Director**

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Executive Director transitions are everywhere these days...as baby boomers age and move on to their “encore” careers, as talented Execs move up and move around. According to the study “Daring to Lead”, published in 2006 by CompassPoint, **75%** of Executive Directors will leave their positions over the next five years.

In working with departing executive directors, boards, and incoming executive directors over the past fifteen years I have found that **the departing ED has a crucial and often underestimated impact on the ultimate success of the transition.** For the departing executive director, making that transition work effectively for all parties – the staff, the board, the incoming ED and for you, as well– takes careful planning, candid conversations, constant communication, and a willingness to put the organization first.

Here are some basic lessons learned about what the departing executive can do to facilitate the transition to a new ED, as food for thought as you contemplate your own transition.

#### **1. Make your nonprofit permanently ready for transition**

Transition should not be a devastating event for any nonprofit. One of the best things you can do for your nonprofit is to make transition a discussable topic for your board, from the day you start work. Your transition is inevitable, right?

Encourage your board to talk about and plan for your succession as well as that of key staff and board members. All nonprofits should have emergency succession plans – some good templates are available on the Internet. Equally important is for you to encourage your board to have a strong board development function so that you constantly have new members who understand the organization well. Remember, each board member is a potential transition/search committee member and they need to understand your nonprofit thoroughly. Make sure new directors are recruited from a diverse base and are not just your friends or your contacts.

At the same time, be careful not to prematurely line up your successor. Avoid promising or even implying that any staff member, including your deputy, is the eventual heir to your position, unless the board has explicitly confirmed that in their succession planning process.

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Once you have announced your departure, encourage your board to identify a transition committee to manage the process. One of their first steps should be to develop a job description for the ED position based on the current and future needs of the nonprofit – not necessarily what you have always done while you were ED. Sometimes this re-look at the role brings added support, resources, or salary for the new ED that you wish the board had offered you! Expect this to happen and watch the tendency to take it personally.

## **2. Plan a “Clean Break”**

For many departing EDs, particularly founders, leaving your beloved nonprofit can be wrenching. The identity of the founder can be so bound up in the work that she can't imagine not being “queen of the office” – as one departing CEO put it. For those who are retiring, existential questions emerge...about health, quality of life, and even the meaning of life beyond the job. Sometimes, departing EDs become so wrapped up in their own emotional, financial and existential needs or worries that they miss the opportunity to leave the nonprofit the best legacy they can offer – sustainable, effective leadership beyond their tenure.

Some departing EDs want to prolong their departure and leave a long period of overlap. The new ED then may be hampered by the history and the power of the partially departed ED, leaving confusion and frustration for the new ED and staff. According to Janice Frey-Angel, incoming CEO of Melwood, one of Maryland's largest nonprofits: “I think there needs to be a definite end of one CEO's leadership prior to the start of the new CEO's work. The board and all involved need to understand and support this. I've been very cognizant of my predecessor and his incredible accomplishments – but I have also been very clear with him that there needs to be no ambiguity about who's in charge. Before I got there I discussed this with the former CEO, and we came to the obvious agreement that any work he did for Melwood after my first day would be work from home.”

If the board decides to have a period of overlap for you and the incoming ED, it's best to keep that period to 30 days or less, according to the book “Losing Your Executive Director Without Losing Your Way”, by Weisman and Goldbaum.

And, while it may be a nice idea that you can “keep a hand in”, either as a part time consultant or as a member of the board – it's a potentially dangerous path. The loyalty to you can cloud the board's objectivity about the new ED's vision and ideas. In my experience, the optimal situation is for the departing ED to leave the organization completely on his/her last day and only be accessible to the new ED at his/her request.

Finally, it's important to be positive and optimistic – and consistent – about your departure. Set a last day and stick with it. You may even choose to schedule a lengthy trip or educational venture immediately following your departure to help you make that clean break.

A very useful resource for Founders considering transition is Tom Adam's booklet: “Founder Transitions: Creating Good Endings and New Beginnings” published by the Annie E. Casey Foundation.

### **3. Leave them strong**

Especially if you're a founder or a long term ED, it's a good idea to spend your last two to three years preparing your organization to do beautifully without you. This may be particularly difficult if you have all of the relationships in the community, with your board, or with funders, but it's essential that your nonprofit is more than you. Our egos can get in the way of this, as we may bristle to find that we are, in fact, replaceable. But, if you are strong enough and effective enough to have hired good people and trained them to do your job, kudos to you!

Some specific actions you can take to leave them strong:

- Include staff members in board meetings, and ask staff to present to the board periodically on what they do and the issues they face.
- Take board and key staff members with you to meet funders and members of the community.
- Offload some key community relationships – on advisory boards, work groups, etc, to key staff members.
- Engage your whole organization in a visioning/strategic planning conversation, so that the staff and board have a common understanding of where the nonprofit is heading and the challenges that may lie ahead.
- Delegate as many responsibilities as you can – spend time training and mentoring staff to take care of the details that you have always been responsible for.

### **4. Establish a Legacy**

A good strategy for the departing ED to gain closure is to identify what he/she would like his/her legacy to be, and then to work with the board or a subgroup of the board to make that happen. One CEO I worked with decided she wanted to implement a scholarship program for urban high school students to invite them into the environmental field that she had invested her career in. Or, there could be an award or a prize for a volunteer that could have your name on it. It's also very important to say yes, even if it's a little painful for you, to a final gathering or celebration of your tenure, ideally before your successor begins. If the incoming ED has already been identified, that would be a great opportunity to introduce him/her to your stakeholders.

### **5. Stay out of the Search**

As tempting as it might be to be personally involved in the search for your successor, we encourage you to step aside! This includes any weighing in on the process or a desire to bless the final selection. Yes, perhaps you are “handing off your child to a stranger”...but if your board and your staff are strong, and make a thoughtful selection, the new ED could have just the qualities needed to take your non-profit to a new level.

There are varying opinions about whether staff should be involved in the search – staff members I have spoken to love to be included, certainly in the final round of interviews. In other situations, confidentiality of who is applying might trump that interest.

In any case, be aware that how your organization manages the transition – who is included, who is not, how candid and thorough the process is – all this is a microcosm of how the nonprofit handles changes and challenges. Your staff knows this, as do the candidates to replace you. Remind your board that the way they handle the search says volumes about what kind of culture the new ED is walking into.

## **6. Notice your own behavior**

In his article, “The Dark Side of CEO Succession”, Manfred Kets de Vries offers this caution to CEOs who are not self-aware: “some CEOs secretly nourish the hope that their successors will fail. Failure would be further proof of their own indispensability. They may even take steps, unconsciously or not, to set the successor up for failure.”

There were signs of this in one client organization where, during the overlap period, two of Tom’s (departing CEO) trusted senior staff would come to his office at the end of the day every day to complain about the new CEO. In coaching with Tom about the barrage of negativity about the new guy, we discovered...Tom loved it! Every complaint about the new guy meant Tom was loved, treasured, important, etc. When Tom realized he was in fact encouraging this negativity by just listening to it – he was able to change his behavior and insist that any issues his team had with the new guy, they take up with him.

In, another situation, the departing ED found himself arguing with his successor in each management team meeting prior to his final departure. The successor was frustrated and annoyed by this, of course, and staff was buzzing about what this could mean. Coaching conversations with the departing ED uncovered his deep ambivalence about his departure so he could manage those emotions appropriately.

It’s natural to have very mixed feelings about the transition, especially if you are a founder or long term ED. Consider engaging a coach or a trusted friend (with no connection to your nonprofit) to help you be aware of and manage your “blind spots”.

## **7. Welcome Your Successor**

Your staff (and board, most likely) will be watching you like a hawk during this transition, worried about how you are taking it, so be prepared for that. Any public show of support for your successor can remind people that you are comfortable and confident in the changeover of leadership. David Greenberg, who took over for Janice Frey-Angel when she left the League for People with Disabilities, said: “my hiring coincided with the annual dinner for the League. Janice was at the dinner, as was the interim ED. It was a wonderful public transition opportunity with all of us there – the board and donors could see how positive the transition was. I also was invited to an all staff meeting the week before my first day as an introduction to the employees. There was a huge welcome sign for me out in front on my first day of work. It was a very positive and gentle introduction.”

## **8. Consider an “Encore”:**

If you are in your sixties and the prospect of retiring completely seems daunting or even terrifying, consider an encore career. Many powerful former EDs pursue consulting, teaching and volunteer encore careers well into their seventies. Again, I advise against doing any consulting work with the nonprofit you are leaving, as enticing as that may be. Offer your consulting services to nonprofits in other sectors, or small organizations. It goes without saying that anyone with a track record in fundraising is gold these days – so if that's something you enjoyed and were good at, consider offering that expertise to others.

You will help yourself and the nonprofit you are leaving if you see yourself as moving TOWARDS something instead of just AWAY from something. Spend quality time by yourself and/or in conversation with trusted and objective advisors to create a new path – an exciting one that you can see, hear, taste, touch and smell!