

Insights from a Nonprofit Leadership Transition:

Practical Ideas to Ensure a Successful Handoff to the Next Generation

Authors Laurie Lipper and Wendy Lazarus of The Children's Partnership (TCP) describe key lessons from TCP's organizational capacity-building initiative and executive leadership transition completed in late 2015. Their insights are designed to help inform other nonprofit executives, boards, and staff contemplating a leadership succession.

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▶ “Estimates suggest that up to 75% of U.S. nonprofit leaders are planning to leave their positions in the next five to ten years. With over 1 million nonprofits and philanthropic institutions, the implications of the expected turnover are enormous. By even a modest estimate, a half-million executives may exit their positions over the next 15 years.”*

Like many of the nonprofit leaders nearing time to pass the torch, the two of us were daunted by the hard questions, additional burdens, and emotional risk required to consider and plan to replace ourselves as leaders. However, as founders and co-presidents of a thriving children's advocacy organization for 22 years, we started down the path and have recently completed an organizational readiness initiative and executive transition. This endeavor, completed in late 2015, was the work of many dedicated people, including the Board, new President, top-notch consultants and advisors, and our staff. We also benefited from the available information about the nuts and bolts of how to carry out executive transitions.

Now, more than one year after the successful leadership handoff, we have examined which approaches were most effective and have outlined them in four parts below. In these four sections, we focus specifically on our perspective as long-time executives managing such changes while still running our organization day-to-day.

We hope these insights offer some practical tips and strategies for the founders and long-serving leaders who find themselves thinking about enlisting the next generation of leaders to carry on their mission and work. We also hope that nonprofit boards and staff will find benefit in these observations.



Part One: Laying the Groundwork

The organization we founded in 1993 focuses on advocacy to improve children's health and their opportunities in an increasingly digital society. Approaching our 20th anniversary, we believed the time was right for a new leader. Therefore, we began not only the process of identifying that new leader but also readying our 18-member organization for a leadership change. Below are insights we learned from the earliest stages.

1 Set the Right Tone

Once the hard work of deciding to undertake a leadership transition is done, an executive can play a crucial role in how the process is perceived and carried out. Once we determined a new leader within the next few years would benefit the organization, we recognized that our Board, staff, funders, and colleagues would take cues about this change from us. As we shared our thinking, we focused on the importance of the organization's work and the need for a new generation of leaders. Our mantra was to keep all affected parties focused on our mission and the organization's thriving future—not on us. From the outset, we were intentional about exhibiting the confidence and enthusiasm that would be needed over a sustained period—acknowledging the bittersweet edge but firm in the mission-driven purposefulness of the change.

2 Establish Clear Priorities

Deciding to undergo a leadership change can be a delicate process. Executives must balance organizational needs with personal ones and assess the impact on a multitude of important stakeholders. Moreover, every organization, every board, and every leader faces their own set of circumstances. Mapping challenges and strengths, realistically assessing capacity, and setting priorities accordingly are critical first steps. We had a nationally dispersed, virtual organization, and we faced an unusually high number of key organizational tasks, including moving from using a fiscal agent to becoming

an independent 501c3. These circumstances meant a longer period during which we and our staff would be managing both major change and ongoing program work. On the other hand, there were two of us (though one of us was less than half time), and we were at a stage in our careers where we could be flexible on timing. Early on, we winnowed our actionable objectives to three. First, we wanted to grow organizational capacity to help attract top leadership talent. Second, we aimed to support the Board through the transition process. Third, we intended to smooth the installation of the new leader by building confidence in the process among staff and stakeholders. Defining our priorities helped us make streamlined decisions and allowed us to avoid taking on projects—even worthy ones—that did not serve these goals.

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3 Work with Your Board

Your board is responsible for hiring a new leader, and different boards have different ways of working with executives during a transition. In our case, the partnership with our Board evolved through discussion over time. As the Board charted the course of the transition, our role came to focus on four areas of responsibility. First, we helped

define the key attributes of a new leader as well as assist with candidate outreach and assessment. Second, we provided clear and concise capacity-building and transition planning for the Board and staff's review. Third, we raised the funds for and facilitated the process of enacting organization-strengthening changes needed to be able to attract a strong leader and set her/him up for success. Finally, we organized the orientation of the new President and supported her throughout the transition.

4 Allow Sufficient Time

We found that ensuring a successful transition takes an investment of designated hours by several people over a sustained period, and knowing this at the outset of the process can help you allocate staff resources accordingly. In our case, since we had significant capacity building to do, we organized our “change” work into two initiatives: organizational readiness was the first, and leadership change was the second. While there was overlap between their respective timelines, in our experience this kind of leadership change work (the focus of this writing) takes 6–12 months. The organizational readiness work, which in our case included establishing a 501c3 and bolstering our capacity in both communications and development, takes 12–24 months. We treated each initiative as we would a program, setting goals and timelines for ourselves and for our staff and Board. Our staff Executive Team focused on the organizational readiness activities. A Leadership Transition Committee was formed to handle the leadership change work, holding regular meetings throughout the final eight months. We estimate that we, as executives, together spent roughly 3–6 hours a week on the research, strategy, communications, fundraising, meetings, and other tasks related to the leadership transition specifically. Although considerable, we feel it was time well invested.

5 Anticipate the Financial Cost

Make no mistake: a successful executive transition requires substantial financial resources. It is one of the most important investments that funders and supporters can make in a worthy organization ready to change leaders. There are significant out-of-pocket costs, such as those for a search firm, possible research, needed coaches or consultants, as well as the cost of time from you and other staff. We found that approaching our Board and key funders early and taking the time to listen to their feedback was critical. We worked to articulate how our own commitment to recruiting and investing in a next generation of advocates aligned with our funders' interests. We also committed our own time, expertise, and leadership to the process, remaining flexible about what would be needed from us in terms of timing and responsibilities. While our budgets evolved over time in accordance with our plans, we achieved our goal of covering the costs of the multiyear process without cutting into program and operations funding, thanks to transition-specific grants from many of our funders.





Part Two: Getting Organized

After laying the groundwork and determining a general timeline and available resources, we developed the building blocks that would foster a positive culture of change: trustworthy communications, a research base and action plan, and a cohesive team motivated to work together toward a common vision.

1 Communicate!

Change at the top can make everyone nervous, and surprises can be even worse. Providing regular, clear communications helps prevent (or at least reduce) a great deal of time-consuming worry for everyone involved. We identified three key audiences: Board and investors, staff, and colleagues and partners. We dedicated time and effort to communicating in as timely and transparent a manner as possible with each audience. In the case of the Board, funders, and staff, we provided updates and encouraged discussion during regularly scheduled meetings. With our partners and colleagues, we engaged them at the start of the official search for a new leader, which was about six months before the desired transition. This feedback enabled us to address questions, concerns, and recommendations directly and quickly. Throughout the process, we emphasized two-way communications—requesting and receiving helpful input. This feedback enabled us to address questions, concerns, and recommendations directly and quickly.

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2 Seek an Outside Assessment

After spending nearly 20 years leading our organization, we recognized that it had evolved to fit our particular style and preferences.

Consequently, we felt strongly that we needed a current, independent assessment of the organization's strengths and weaknesses to best prepare it for a new leader and to position it to attract the right top-level talent. We enlisted a well-respected management consulting firm to undertake a “landscape assessment” based on interviews with partners, policymakers, funders, Board, and staff. We encouraged the firm to ask the hard questions—even probing whether there was still a need for our work. Indeed, the research findings provided a resounding endorsement for the continuation of the mission and program. They underscored our core strengths and values but also defined areas needing bolstering before a new leader was enlisted.

3 Create a Game Plan

To organize your board, staff, and funders in these endeavors, you need a plan that sets objectives, provides a timeline, and defines success. Once we had the results from the outside assessment, we realized that we needed help turning our goals into a concrete action plan. For financial and other reasons, we staffed most of the transition work in house. However, at a few critical junctures, we relied on outside expertise, and creating the game plan was one of those moments. We hired a highly experienced nonprofit executive who worked closely with us and our staff to develop the transition plan and translate it into specific targets for fundraising, along with a realistic timetable tied to year-by-year funding requirements. With her help, we determined that our exclusive focus for the first

12 months should be on much-needed capacity building geared toward improving workplace functioning and strengthening our program work. After that work was complete, we would tackle the search for a new leader. Laying out the work in concrete terms gave us all extra confidence in these uncharted waters.



4 Think Creatively About Leadership

It may be that some responsibilities you are carrying do not need to be transferred to a new leader—and this is the time to redefine those tasks and roles. For this reason, we articulated our ultimate leadership transition goal as “leadership expansion and transition.” We talked with staff, and together we determined that there was no internal candidate. However, two of the most seasoned and accomplished staff members were ready to assume greater leadership roles. From beginning to end, we worked with senior staff on the program and the finance/operations sides to redefine their roles, change their titles, and adjust their duties as they assumed more executive responsibility and served as strong stewards of the mission. Because we had clarified the fact that there were no internal candidates and because we had mentored staff over time, they were well positioned to provide strong support for the incoming president.

5 Clarify Roles Early

Once you have shared goals and a road map, circle back and clarify roles for each party in each area of the leadership transition process. Clearly, it is the role and responsibility of the board to hire the new leader. In our case, the Board welcomed insights from the founders (us), who knew the job and future opportunities best, and from the staff, who would be essential to carry out the mission and work going forward. To serve that end, we created a Leadership Transition Committee which was led by our Board Chair and included several Board members. Non-voting members included the two of us as well as two senior staff. We then moved step by step through the processes of searching for, hiring, vetting, introducing, and orienting the new leader and, for each, articulated (in concert) the roles of the Board, founders, and other staff. Here, again, we sought outside counsel and advice. When confusion about roles arose, we talked them through and clarified expectations before we were in the midst of the work itself.





Part Three: Implementing the Mechanics of Change

With these initial building blocks in place, we began a more formal and public transition process. We also faced the challenge of managing unanticipated bumps as we began to implement various changes in the organization.

1 Engage the Staff

At each stage, we worked to engage the staff. Since we focused on the organizational readiness and capacity-building initiative first, we worked closely with them to define needs for additional support staff, new development functions, and bolstered communications. This first round of change was successful, and staff were able to contribute to and benefit from these changes. When it came to identifying what was needed in a new leader, staff input was integrated throughout the process. Two senior staff served on the Leadership Transition Committee (as non-voting members) and conducted meetings (without the Board or executives present), interviews, and online surveys to gather staff input at various points in the transition. They used this input to provide direct though carefully condensed, anonymous feedback. In addition to engaging staff in the transition itself, we also worked to equip staff to continue to work effectively while the change in leadership was underway.

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About four months before the new leader started, we asked each department within the organization to involve all teammates in creating a six-month, detailed work plan that was reviewed

by senior managers and us. This process helped the staff be productive and independent after our departure while the new leader was getting oriented.

2 Expect Some Bumps

Of course, all of your positive attitude, time, and planning will not protect you from the inevitable curveball(s). We had plenty of unexpected twists and turns, and it helped us recognize that even the most carefully fashioned plans may have to change. With an organization of 18 people, unexpected staff turnover took the biggest toll. Staff change during a leadership transition adds a sense of unease and shifts workloads among staff. With the swift advice and involvement of the Board, staff, and colleagues, we addressed tricky questions about replacing high-visibility staff prior to and during the leadership transition. Funding continuity also brought surprises. As we worked to build a strong financial base for the new leader, funding that we had anticipated for program work was deferred to allow the investor time to meet the new leader. In addition, there were many days when it was hard to see the path to success—or, even more challenging, when the end was in sight, and the sadness of leaving set in.

3 Maintain Your Executive Authority

As a founder or long-serving executive, you have probably been the primary steward of your mission and organization as well as the final word on key decisions. While a leadership transition allows you to systematically transfer that

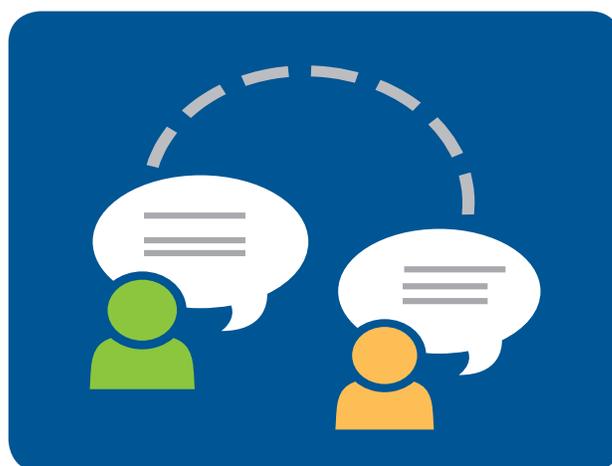
stewardship to others, it can also inadvertently lead to uncertainty about where the buck stops. We started transitioning responsibilities about a year prior to the installation of a new leader, formally and publicly identifying areas of authority that could be gradually transferred to various staff and subsequently mentoring them through the assumption of new duties. This process inspired confidence that change could occur successfully and established stability before a new leader came onboard. However, we were clear that the responsibility for running the organization and for key decisions remained with us until a new leader began. This delineation maintained the unique areas of executive authority that the new leader would assume.

4 Conduct the Search

When we started this project, we were not sure whether we needed a national, formal (expensive) search process undertaken by an outside firm. But we became converts to the enormous benefits bestowed by this process. In the best of cases, the formal search does more than identify candidates for the job—it helps surface and align values while providing a constructive forum for stakeholder input. For example, as we began to develop the executive job description, we encountered different viewpoints about the key attributes of a successful candidate. It was easy to list desired functional attributes: excellent spokesperson, good fundraiser, recognized expert in the field, and accomplished executive. But when we really drilled down, we realized that the truly “must-have” qualities were those of a skilled advocate with strong ties in the community we serve. We spent time with the search firm and our Board engaging in these discussions which resulted in greater consensus about the essential attributes of the new leader. In addition, the structure and official nature of the national search added an intangible quality of gravitas, boosting the confidence of our Board, staff, and funders in our selection process.

5 Keep Stakeholders Informed, but Resist Overload

We found that as time went by, regular communication with both external and internal colleagues was key to keeping all “eyes on the prize.” For example, transparency and matter-of-factness helped our external partners become allies in our transition process. Once we had secured an executive search firm—anticipating a six-month search process—we notified our widest circle of colleagues that we were entering a planned leadership change and asked for recommendations for candidates. Our strongest and ultimately final choice for a new leader came through a couple of colleagues. On the other hand, while open and two-way communications also helped forge a shared vision of our “change” projects among staff and stakeholders, we found that a notable sense of “change fatigue” had set in over time. At one retreat, a staff member expressed appreciation for the regular updates while urging us to tip the scales towards engagement on more forward-thinking programs. Lesson taken!





Part Four: At Last, Completing the Transition

By this point, momentum had begun to build, and all parties were anticipating the change to a new leader. Staying the course in a deliberate and thoughtful way, while continuing to keep everyone's "eyes on the prize," was key.

1 Be Flexible to Find the Right Leader

An unexpected element of our leadership transition was that once we found our first-choice candidate, we learned she wasn't available for several months past our planned exit. She also lived across the country from our home office and needed time to relocate. This not only required some quick reshuffling of plans, but it also reshaped our planned introduction and orientation. We were unable to share specific information about her with our staff for a longer period than hoped while she finalized details with her previous employer. It can be challenging when your update to an already eager (and anxious) staff must be, "We have found the right person. She's great, trust us." But we did our best, and in the end, staff agreed that the time and flexibility we gave our new leader was well worth it.

2 Seize the Opportunity to Reiterate Your Values

The announcement of your new leader is a milestone for your group. Each organization has different circumstances, but the transition can serve as an opportunity to tout the value of the mission, work, and new leadership. For example, to educate stakeholders as well as new leadership about why and how the organization advanced particular initiatives and innovations, we developed a digital timeline that told our 20-year story. When it came time to introduce the new leader—roughly two months before she was set to begin working—the Board handled the

introduction, arranging for her to come and meet the entire staff. Shortly afterward, once all internal and key external bases had been touched, we notified our community at large—knowing that we would need to "refresh" the introduction once she actually started. We took advantage of this additional opportunity to showcase her many policy and advocacy strengths, the timing of which coincided with the start of the next calendar year of our advocacy.

3 Ensure a Smooth Orientation and Handoff

Making sure this phase benefits the new leader as well as the overall organization presents another opportunity to add positive momentum to the transition process internally. Our new President had well-developed priorities and was therefore fully engaged in structuring an orientation process around them. Early on, she met one-on-one with each Board and staff member and held a few meetings with us, the founders. In anticipation of the handoff, we asked each work team to put together a memo that included an overview of its work, a list of team members, standing meetings, key deliverables, and a six-month timeline of



expected projects. These memos were compiled into three hefty briefing books: one for finance and operations, one for mission and program, and one for communications, which were delivered to the incoming President before she started. We arranged to remain onboard for one month after her arrival, which allowed for shadowing opportunities as well as direct sharing in decision-making. After this first month, each of us in turn took a several-month-long “absence” from the organization. This separation provided each of us a much-needed break while also giving time and space for the new President to settle into the position.

4 Consider a “Senior Advisor” Approach

While we fully recognized the value a next-generation leader would bring to our organization, we felt we were still able to contribute unique knowledge, skills, and networks to advance its mission. “Table for Two,” an intriguing monograph written by the management consultant with whom we had worked, describes leaders who stay engaged with their organization in new, clearly defined roles after stepping away from the day-to-day. While there are successes to be found with this model, we were also well advised about potential pitfalls. However, benefiting from extensive advice, we proposed to the Board and incoming President that we serve in a new capacity as “Senior Advisors.” During the first year of transition, we provided a sounding board for the new President at her request and served to open doors and facilitate contacts. Finally, we offered a special project to serve both the organization and our desire to continue working on behalf of the cause. Of course, this arrangement works only if it is fully supported by and developed with the new leader and board. There should be regular check-ins to ensure that it continues to provide

value for all parties involved. As mentioned above, we also believe in the importance of outgoing executives’ observing a period of absence from the organization which helps mark the transition to new leadership.

5 Face the Reality, and Welcome the Future

This is the moment you cannot quite prepare for. After all the careful and strategic preparation, there comes a moment when the handoff is complete. One day you are in charge, as you have been for many years or even decades, and within a few days or weeks you are not. Between the two of us, we had international travel, three graduations, a wedding, and the holidays as well as some external consulting projects. These activities kept each of us well occupied as we downshifted from our organizational responsibilities. In the timely words of David Cameron, who stepped down as the prime minister of the United Kingdom in 2016, “Once, I was the future.” You have helped write a new chapter in the future of your organization. Now, you must go on to your next future, knowing your organization is in great hands.



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Wendy Lazarus and Laurie Lipper are co-founders of The Children’s Partnership (TCP), a California-based national children’s advocacy organization committed to improving the lives of underserved children. Ms. Lazarus and Ms. Lipper served as Co-Presidents for 22 years and completed their executive leadership transition with Mayra Alvarez as the new President in late 2015. They currently serve as senior advisors to TCP and are involved in a variety of other nonprofit ventures. In addition to writing about their experience with leadership transition, they continue to write about and comment upon a broad range of children’s issues, matters of importance to the success of social sector organizations, and the crucial role advocacy plays in advancing a more just and humane United States of America. They can be reached at LaurieALipper@gmail.com and wendylazarusca@gmail.com.

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* The quote on page 1 is from Frances Kunreuther, Phyllis Segal, and Stephanie Clohesy, "The Leadership in Leaving" (2013), http://www.buildingmovement.org/pdf/Leadership_in_Leaving_FINAL.pdf.



The Children’s Partnership is a non-profit, advocacy organization that works to improve the lives of children where they live, learn, and play. Since 1993 we have worked to advance the health and wellbeing of underserved children in California and in the country, through meaningful community partnerships, forward-thinking research, and community-informed policy.

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