

## ***Insights about the Leadership Transition Process***

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During the past seven years serving as the Interim Chief Executive for a wide variety of nonprofits (seven in all), I've frequently been asked to describe what it's like for an organization to transition to a new leader. Below you will find a brief summary of some key insights I have developed in the course of my experiences.

***It's an opportunity.*** Leadership transition presents an ideal opportunity for the kind of constructive change that strengthens effectiveness. With no incumbent in place, the organization is freer to take a fresh look at its mission, operations, and environment; to meet current challenges; and to identify and seize future opportunities.

***It allows for objective assessment and action.*** As an outsider, the experienced interim leader – who is not a candidate for the long-term position – has “the best seat in the house” and offers three assets not otherwise available to the organization: (1) the objectivity of someone who is not enmeshed within the organization, the mission, the culture, the history, and the political landscape; (2) perspective based on experience with other nonprofits; and (3) a neutral approach to fact-finding and decision-making, based not on any personal agenda but only on the best interests of the organization. The ability – and duty – to speak candidly from this outsider perspective, and to act accordingly, is a uniquely powerful force for strengthening an organization.

***It requires hands-on management.*** The assessment described above will identify those areas that are working fine, as well as those areas where changes should be made. Maintaining continuity in all areas – program, finance, fundraising, administrative – requires consistent, flexible hands-on management. One of the greatest challenges of the transition period is to repair the playing field while simultaneously continuing to play the game on the existing field.

***It's stressful.*** Leadership transition is highly stressful for any organization. Insiders and outsiders alike worry about the future direction and sometimes even the viability of the institution. Almost everyone embraces the idea of change, but the actual process of change can be frightening. The interim leader is called upon to be the calm amidst the storm.

***It presents a variety of challenges.*** There is no cookbook for leading an organization through executive transition. All key factors must be reviewed, including program delivery, finances, development, upcoming deadlines, key relationships, and board activity. The top priorities will depend heavily on the factual situation, organizational

culture, varying attitudes towards the most recent chief executive, and the dynamics between the Board and Staff.

**It requires constant communication.** Busy nonprofit Staff and Boards find it difficult enough in “normal” times to stay adequately in touch. During transition, when internal and external doubts can be strongest, and the thirst for information the greatest, the interim leader must constantly communicate with all constituencies. This is important for preserving key relationships and for providing credible assurances of consistent progress towards the goal – whether the goal is to hire a new chief executive, consummate a merger, or wind down the operations in a way that maximizes continuity of services to the community.

**It's not just about the money.** Most nonprofits experience financial anxiety, and the recession has certainly heightened this anxiety. However, organizations often have impressions about their financial condition that are at considerable variance – in either direction – with their actual financial condition. Moreover, financial difficulties usually result not simply from a shortage of funds but from some other organizational weakness(es), which must be addressed in order to ensure long-term viability. Transition is a great time to achieve financial clarity.

**It takes as long as it takes.** The three major variables are (1) when the search for a successor begins, (2) how long the search takes, and (3) when the new leader is available to begin. Patience is critical; as the saying goes, it takes nine months to make a baby, no matter how many people you put on the job.

**It makes a difference.** Executive vacancy presents among the greatest risks to the stability of any nonprofit organization: to funder and other key relationships, staff morale, public visibility and credibility, sound fiscal management, and program delivery. Those risks are certainly no smaller today than they ever were. The most gratifying aspect of interim leadership is to help the organization meet the challenges to its stability, continuity and reputation, emerge stronger than before, and succeed in attracting the best possible new leader, and to see it thrive as it serves the community in carrying out its vital mission.

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