



The Departing: Exiting Nonprofit Leaders as Resources for Social Change

by Jan Masaoka

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Preface by the Research Advisory Committee

In all the talk about the need to strengthen the leadership capacity of existing nonprofits and the need to build the pipeline of the next generation of nonprofit leaders, not enough attention is being paid to how to leverage the talent of executive directors who are transitioning out of their organizations.

Over the past several years, a number of studies have explored the demographic shifts affecting the nonprofit sector. The findings estimate that 50 to 75 percent of current nonprofit executive directors will move on from their positions within the next five years.¹

Some grantmakers have responded to this demographic shift by focusing on attracting and preparing “next-generation leaders” for the growing number of nonprofit leadership positions.² Others have pointed to the need to potentially change the executive director job and leadership structure within nonprofits so a younger generation of leaders finds the top position exciting and innovative, rather than a position of sacrifice that precludes a meaningful life outside work. Still others have opted to focus on helping executive directors who are currently in place to be more effective and more satisfied in their current positions. One aspect that has not yet been addressed is how to leverage the talent of executive directors who are transitioning out of their organizations.

Of the significant numbers of executive directors resigning their posts, some wish to genuinely retire or, in fact, should retire. However, many of these individuals are not ready (or cannot afford) to retire outright. While they are ready to transition from their executive director roles, they still have the capacity to supply high levels of leadership to their fields, social movements and/or communities. These are individuals who have decades of hard-won experience, social capital and sometimes political clout. They still have the passion and drive to continue to contribute in powerful ways.

Yet there is a gap in current knowledge about the post-executive director leadership opportunities that are available to them, or could be available to them. This report explores current leadership opportunities for executive directors who have transitioned out of executive roles

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1. See the Annie E. Casey Foundation’s monographs on executive transitions and next-generation leadership, CompassPoint Nonprofit Services and The Meyer Foundation’s *Daring to Lead* studies, Bridgespan’s “Leadership Deficit” monograph, and GEO’s *Investing in Leadership* publications, among others.
 2. For more on grantmakers’ roles in developing next-generation leaders, see GEO’s *Action Guide* on this topic, available in spring of 2008.

— innovative arrangements and roles that leverage the skills and relationships of high-performing executives to benefit the broader field long after their executive director tenures end.

Grantmakers for Effective Organizations recognizes the important role grantmakers play in harnessing the talents, networks and skills of these leaders for the pursuit of broader social change goals. The intent of this study is to explore current practices in the field and identify how grantmakers can best support departing nonprofit executives. We hope this report helps grantmakers

- understand innovative approaches to leveraging the leadership capacity of executive directors who are leaving their organizations to benefit the broader community or field in which they have worked; and
- strengthen potential philanthropic investments in leadership by suggesting ways that philanthropy might provide specific help to seasoned leaders in identifying opportunities for making future contributions.

We also expect that this report will be useful to nonprofit leaders — both those considering departure as well those who have already left significant careers. We anticipate this report sparking conversations among grantmakers and grantees about the opportunities ahead of us individually and collectively.

We look forward to continuing the discussion with all of you.

— Exiting Leaders Research Advisory Committee, Grantmakers for Effective Organizations

Carrie Avery, President, Durfee Foundation

Pat Brandes, Senior Advisor, Barr Foundation

Rick Moyers, Director, Nonprofit Sector Fund, The Meyer Foundation

Linda Wood, Senior Program Officer, Evelyn and Walter Haas, Jr. Fund

September 2007



1.

Introduction

Jack Nicholson playing Frank Costello:

How's your mother?

Man in bar: She's on her way out.

Frank: We all are. Act accordingly.

— from *The Departed*, Best Picture 2006,
Martin Scorsese, Director

It's neither a secret nor a surprise that the nonprofit sector is talking about longtime executive directors leaving their jobs. As in every sector and industry in the United States, the baby boom generation is beginning to depart the nonprofit workforce, making way for new leaders and new ideas.

But these departing leaders — like their baby boom counterparts in other sectors — aren't planning to relax and watch the grass grow. They have unique histories and backgrounds, and a career's accumulation of knowledge, skills, connections, reputation and perspective. And the very idealism and commitment that brought them into nonprofit leadership are qualities that can impel them to continue their work after they leave their long-term leadership positions.

As the leadership of the nonprofit sector passes from one generation to the next — one organization at a time — vulnerabilities emerge on organizational and sector levels. Departing leaders take with them their knowledge, networks and experience; nonprofits may falter as they transition to new leadership, and social change efforts might slow or stall. At the same time, these shifts offer opportunities for organizations and for movements to make important changes and to speed social change.

To mitigate the risks, and to make use of emerging opportunities, many are wondering how the sector might engage these departing leaders in new, different, high-impact ways. Questions heard in and around GEO and other venues include the following:

- How can we help nonprofit leaders think strategically about whether they should leave their organizations or stay with them?
- How can we appropriately encourage older leaders to stay longer or to consider departing?
- What can I suggest to exceptional leaders who want to leave their jobs but still want to be involved in the field?
- How can grantmakers and others support the development of a field of activity for departing executives in the same way that practices and concepts about executive transitions were developed?

GEO commissioned this exploratory study to discover how departing nonprofit executives are thinking about their futures and how they are continuing to work for community good and social change.

While the study was initiated in large part in response to the impending retirement of the baby boom generation, the findings are relevant to other generations as well. Many of those currently leaving major positions are in their mid-60s or older and are forging paths for baby boomers. And younger workers can anticipate multiple job and career changes over the course of their working lives; the options identified here will spark ideas for people of many ages.

The questions addressed by this study touch on a number of important related issues, including how baby boomers relate to other generations, the nature of nonprofit leadership, nonprofit sector workforce development, executive transitions and community leadership.

This exploration found both less and more than what was anticipated. On one hand, the opportunities to provide satisfying, high-impact work for former executives rely in large part on the individuals, organizations and fields involved. We found that situations

that worked well were influenced so much by the individual and the specifics of the relationships that it was difficult to generalize for other executives.

On the other hand, while the opportunities we found are highly specific, they are rich with possibility. In the process of considering departure, long-tenured nonprofit leaders often find new ways to work that keep them in their organizations and help build those organizations in new ways. In addition, departing executives are looking outside their organizations to new jobs, volunteer leadership positions, elected office, consulting practices and other venues that leverage their experience.

As a result, while this research was conducted as part of GEO's efforts to build concepts and practices relating to grantmakers' roles in supporting departing executives, grantmakers may find it useful to share these findings with nonprofit executives and boards, consultants and others involved in various aspects of leadership development.

Project scope, limitations and other considerations

This research project came out of GEO's Investing in Leadership initiative,³ which recognizes that "capacity-building interventions often fail if strong organizational leadership is not first in place."⁴

Conclusions from this study were drawn from interviews with 20 former and current nonprofit executives as well as 11 grantmakers and eight others with experience and interest in this issue. (For the complete list of interviewees, see page 7.) Given the relatively small sample size, this study could not draw the conclusions that might be drawn from a large scientific sample. The conclusions in this study are presented as options to explore rather than as a set of proven practices.

There are a number of ways grantmakers can provide support through nonprofit leadership transitions.

Grantmakers can provide support at the individual level — by supporting a departing leader in his or her next step or by providing support to develop emerging leaders. They can provide support at the organizational level to sustain organizations through executive transitions, or at the field level to maintain or improve the quality of leadership overall. While it is important to support nonprofits through executive transitions, others in the field have already done much work on executive transition management and the associated organizational impact. Therefore, the advisory committee for this research chose to focus on how departing leaders can stay engaged for the benefit of the field.

It is important to note that this study focused on the kind of departing nonprofit leader with whom foundations frequently partner over extended periods: "exceptional long-tenured nonprofit leaders." While there are certainly examples of executive directors who may not or should not stay involved in the sector, this study was intended to explore the options for those exceptional leaders who can continue to be valuable assets to their fields and communities.

This study looked primarily at leaders reaching ages traditionally associated with retirement — those of the baby boom generation and older. This study did not look at leaders in their 30s and 40s, even if such individuals were leaving long-tenured positions, because these individuals are more typically changing careers in a different way than are individuals who are reaching their mid-50s and beyond.⁵

During the course of this study, we came to understand the personal context that often informs this discussion, which adds a level of complexity when discussing these issues.

First, supporting departing executives through a transition is highly specific to the person involved. Individuals not only have different assets, temperaments and desires, but an individual seen by one person as brilliant may be seen by another as

3. For more about GEO's leadership development work, visit www.geofunders.org.

4. Kathleen Enright, *Investing in Leadership, Volume 2: Inspiration and Ideas From Philanthropy's Latest Frontier*, GEO, 2006, p. 6.

5. The overall question of career paths for nonprofit leaders is intriguing and important but beyond the scope of this study. Even this sample, however, found a significant degree of switching among nonprofit, government and for-profit business sectors.

ordinary or even incompetent. There are always differences of opinion concerning the potential value of any particular departing leader, as there are differences about the value of any particular organization.

Second, it was noticeable that core sensibilities about baby boom executive directors were often different based on the age of the person considering the question. Baby boom interviewees were more likely to focus on the impending loss of talent to the sector, while younger interviewees were more concerned about the need for older leaders to get out of the way for younger leaders. One exchange with a young grantmaker was illustrative:

Q: What do you think about the issue of executive directors leaving their careers?

A: Don't you mean what do I think about all the executive directors who should be leaving and aren't?

Both the nonprofit and mainstream media are paying much attention to the anticipated mass exodus of leaders when the baby boom generation retires — and how this will affect all sectors. In reality, the oldest members of the baby boom generation are in their early 60s, so this leadership gap could be years away. This can be frustrating to talented second-tier leaders who are hungry for opportunities for career advancement and leadership.



2. What are the options for departing executives?

Just because an executive is leaving a leadership role does not mean that he or she is severing ties to his or her organization, community or field. There are a variety of ways departing executives can stay involved in various dimensions. By understanding the different options available, grantmakers can play a supporting role in coaching departing executives and keeping them connected to the field. This study uncovered three key options for a departing executive wishing to stay involved in some way:

1. Staying with the organization he or she led, in either an adapted or new role
2. Taking on a position at a different organization
3. Staying involved in the field — through either a volunteer or paid position

Option 1: Staying with the organization

No one can lead an organization forever. Some executives will retire; others may find themselves fired or forced out.⁶

6. In fact, *Daring to Lead 2006* reports that approximately one-third of executive directors who leave are either fired or forced out by boards of directors.

INTERVIEWEES

Nonprofit executives

- Carol Barbeito, former president/CEO, Applied Research & Development Institute, Denver, Col.
- Jim Chappell, president, San Francisco Planning & Urban Research Association (SPUR), San Francisco, Calif.
- Roger Clay, president, National Economic Development and Law Center, Oakland, Calif.
- Rick Cohen, former executive director, National Committee for Responsive Philanthropy, Washington, D.C.
- Bart Givens, former executive director, Pikes Peak Community Action Agency, Pikes Peak, Col.
- Pat Gray, former executive director, The Food Project, Boston, Mass.
- Sherry Hirota, president and CEO, Asian Health Services, Oakland, Calif.
- Thora Jacobsen, COO, Philagrafika, and former executive director, the Samuel S. Fleisher Art Memorial, Philadelphia, Pa.
- Pat Loomes, executive director, Girls Incorporated of Alameda County, San Leandro, Calif.
- Joyce Mallory, former executive director, Fort Wayne Urban League, Milwaukee, Wisc.
- John Manzon-Santos, former executive director, Asian & Pacific Islander Wellness Center, San Francisco, Calif.
- Cathy McDowell, executive director, Family Resource Center at Gorham, N.H.
- Kent Russell, former executive director, the Higgins Armory Museum, and curator and CEO, the Museum of Russian Icons, Clinton, Mass.

- Linda Searfoss, former executive director, Big Brothers Big Sisters of Central Arizona, Phoenix
- Debbie Strauss, executive director, Lumity (formerly the IT Resource Center), Chicago, Ill.
- Paul Sussman, CFO, Tenderloin Neighborhood Development Corporation, and former executive director, Northern California Community Loan Fund
- Marti Wilson-Taylor, former executive director, YWCA Boston, Mass.
- Kathy Owyang Turner, former executive director, San Francisco Education Fund, Calif.
- Joe Valentine, former president/CEO, United Way of the Bay Area, Santa Rosa, Calif.
- Arturo Vargas, executive director, National Association of Latino Elected and Appointed Officials (NALEO), Los Angeles, Calif.

Grantmakers

- Fatima Angeles, director of organizational learning and evaluation, The California Wellness Foundation, San Francisco
- Pat Brandes, senior advisor, Barr Foundation, Boston, Mass.
- Martin Cohen, director, Legacy Project, Philadelphia Cultural Management Initiative, Pa.
- Patrick Corvington, senior associate, The Annie E. Casey Foundation, Baltimore, Md.
- Tom David, senior strategist, Community Clinics Initiative, San Francisco, Calif.
- Sandra Martinez, program officer, The California Wellness Foundation, San Francisco

- Rick Moyers, director, Nonprofit Sector Fund, The Meyer Foundation, Washington, D.C.
- Claire Peeps, executive director, Durfee Foundation, Los Angeles, Calif.
- Gail Randall, special projects officer, Greater Worcester Community Foundation, Mass.
- Toya Randall, director of Elgin programs, Grand Victoria Foundation, Ill.
- Linda Wood, senior program officer, Evelyn and Walter Haas, Jr. Fund, San Francisco, Calif.

Other

- Eunice Azzani, senior search partner, Korn/Ferry International, San Francisco, Calif.
- Megan Cooper, executive director, Executive Service Corps of Southern California, Los Angeles
- Susan Egmont, principal, Egmont Associates, Boston, Mass.
- Lisa Hendrickson, executive director, Avenidas, Palo Alto, Calif.
- Frances Kunreuther, director, Building Movement Project, New York, NY
- Vincent Robinson, principal, The 360 Group, San Francisco, Calif.
- Tricia Smith, executive director, United Way Retirees Association, Alexandria, Va.
- Tim Wolfred, senior project director, Executive Transitions, CompassPoint Nonprofit Services, San Francisco, Calif.

These individuals gave readily and generously of their time and insights, and all readers of this study are indebted to them.

In addition, this study uncovered a third, less obvious option — staying with the organization in a different role. Interviews found examples of two approaches — modifying the executive’s role and creating a new role for the departing executive.

While there are clear benefits to keeping a departing executive engaged with the organization, these scenarios can be fraught with complications if not managed appropriately. When considering a way for an executive director to stay engaged with the organization, a primary concern should be the impact this scenario has on the new executive director, the staff and the board. The presence of the former executive may inhibit the new leader, the staff and the board from fully exploring new directions.

In this study, the situations in which this type of arrangement worked well tended to be cases in which the new executive was an internal candidate from the senior management team: someone who likely shared some of the vision of the departing executive and who had a proven ability to work with him or her. In these scenarios, it seemed there was greater clarity about the roles of the new and former executives, and there was less threat or competition in the relationship.

Staying in a modified role

Nearly everyone in every organization has wondered at some point whether it would be possible to change the executive director role so that it would be less stressful but still satisfying and effective. For nonprofit executive directors, the idea of restructuring so that some job functions are assumed by others is

attractive. Many continue to feel excited about new initiatives and their own ability to move resources and influence the field, but they are tired of managing and of the burdens of responsibility.

“I don’t want to have anything to do with managing the day-to-day. I hate management. People say I can’t give up making all the decisions but they’re wrong. I would give it up in a minute if I had the right person to give it up to. Then I could do what I love and what I’m good at — creating new programs, mentoring the younger people in the organization, raising money from national grantmakers.”

— Executive director

“I’ve been here 31 years. This organization is important to me, and it matches my values. You become an asset of the community-based organization, and it’s not just about you. The question for me was, does the organization get a lot out of me and out of my longevity?”

— Sherry Hirota, President & CEO, Asian Health Services

Many nonprofit boards, grantmakers and constituents often want to see their longtime executives stay in the roles where they have been so effective. This idea is particularly appealing for grantmakers concerned with nonprofit leadership development.

Restructuring is often easier to imagine than to accomplish. Some executives find it difficult to add the expense of senior administrative positions to the budget. Others have created new positions but haven’t been able to find satisfactory candidates. In some cases, executives have created deputy director and other “number two” positions, only to experience a series of hires who leave, frustrated and frustratingly, after short periods. It’s easy to think that in at least some instances, longtime leaders have had difficulty letting go of responsibilities.

The nuances of the situation are illustrated in the following quote, in which a grantmaker describes what appears at first to be an ideal case of an executive director staying on in a new position:

“Let me tell you about one of our grantees; to outsiders, they look like the poster child of successful transitions, but to insiders it’s a different story. The old executive director was there for years; now she’s a senior fellow there. She has an office and a decent salary. The new executive director is a young African-American man. I wouldn’t say it’s adversarial, but it is extraordinarily challenging, and he has extraordinary diplomatic skills to match. But although she’s a problem, she’s the least of his problems. His big problem is

that he has to redo everything, wipe a lot of the slate clean, figure out how the organization is going to become sustainable.”

— Grantmaker

Staying in a new role

Many executives are important assets of their organizations even beyond their job performance. They are typically committed to the organization and to its work. Depending on the departing individual, the new executive and other factors, there are many ways the departing executive director can continue to be productively involved outside the executive role. Several vehicles emerged in the course of this study.

CATHY MCDOWELL, FAMILY RESOURCE CENTER OF GORHAM, NEW HAMPSHIRE: STAYING IN A RESTRUCTURED ROLE

Cathy McDowell had left executive director positions before and knew what a “bad leaving” looked like. When she left one organization, she encouraged the board to hire a replacement executive who turned out to be a bad fit. “It was a disaster,” she said. “I felt terrible.” So this time she was determined to do it right.

I’ve been here since the beginning in 1997, when we had a budget of \$35,000, and now it’s almost \$1 million and 35 staff. About two years ago I was feeling burnt out, tired of writing grants, tired of feeling the weight of the world on my shoulders.

I’m 59 years old. I was saying to myself, and my husband was saying to me, “It’s time to retire. It would be fun!”

Serendipitously, we had some funding to support succession planning. We started this whole process with me saying I was going to leave in 12–18 months.

We got a board-staff group working on what we needed to do, and we all got used to the idea that I was leaving. We began by thinking about how to advertise, but the more we talked the more we got into the philosophy of the organization, the things that make us the Family Resource Center.

For six months we met every other week. Through this process, the board became much more engaged, understood how things worked, how they fit in. For example, we’d had a finance committee that reviewed statements before, but now they were realizing they had to understand them if I was going to leave, so they really started asking questions. We also spread out some of my day-to-day responsibilities to two senior administrative people — they really began to click and rise up.

But then I was talking to a friend I’ve known for years, and I said that what I really want to do in the morning is get up, tend to my plants, have a cup of tea, and then go to work. And she said, “You could do that now.” It blew me away!

With this new insight, I began to consider how I could do it differently. I really love what I do, but I was so tired of the pressure and responsibility. So I went back to the board and said I wanted to stay but to continue building the responsibilities of other people and have more vacation time. And they said OK. Everybody was happy.

Am I having tea every morning? No, but that’s my choice. I take more vacations and don’t feel guilty about it. I feel as if I left the job and came back with a new mind-set: that the board is ultimately responsible, and that with the staff they can all continue the work. I had to see that.

Project director

In several instances, executive directors continued to run a project or program after leaving the executive role. When Roger Clay took over as president of the National Economic Development and Law Center in Oakland, his predecessor stayed to run three contracts for the organization until they ran out.

Fundraiser

A longtime executive director likely has knowledge, reputation and connections to grantmakers that are invaluable to the organization. This study found a few examples of executive directors who continued to help their organizations with fundraising after leaving.

Kent Russell served as executive director of the Higgins Armory Museum for 11 years. “When I left we were halfway through a capital campaign,” Russell said. “There was a transition coach and an interim director, and I consulted with them a couple of hours a week — primarily assisting with asks because that’s not something they know that much about.”

Russell quickly found that this new role required a different set of skills than what he used as executive director. “Once you step down, you no longer have the unshakeable position of loyalty to the organization. It became very important that I had given a stretch gift myself, made a pledge to say, ‘I’m no longer the ED but I love the Higgins so much that I’ve continued my involvement, and I want you to join me in supporting them.’”

Member of the board of directors

Some executives were attracted to the idea of leaving their CEO positions but joining (or staying on) the board. The benefits of this are obvious — having a former executive on the board helps the organization retain that executive’s historical knowledge and networks. At the same time, there can be dangers associated with having a former executive on the board, such as intimidating the new executive or overly influencing the board.

“While the impulse to bring a retiring executive director onto the board of directors is understandable, the drawbacks are so significant that I’d never encourage it,” said Rick Moyers, director of The Meyer Foundation’s Nonprofit Sector Fund. “As board members, former executive directors inevitably interfere — sometimes knowingly and sometimes just by their presence — with the board developing an effective partnership with the new executive director.”

For those organizations that do decide to bring a former executive director onto the board, “the conventional wisdom is to wait at least a year,” said Tim Wolfred of CompassPoint Nonprofit Services. “The board has to let go of the old executive director, and they can’t do that if she’s still around. It’s harder for the new director and the board to take the organization in a new direction.”

Ambassador at large

Longtime leaders will often continue to be implicit representatives of their organizations, even if they do not have explicit, formal roles. Says John Manzon-Santos of his predecessor at Asian & Pacific Islander Wellness Center in the San Francisco Bay Area, “[Steve Lew] was and continues to be an influential voice in the Asian and Pacific Islander HIV/AIDS movement. He reflects heat and light onto the organization regardless of what hat he’s wearing. I like to think that intentionally honoring this relationship is positive for both sides.”

The organization may find it useful to recognize and formalize a role in which the former executive can continue to support its work. In one example, Byllye Avery, founder of the National Black Women's Health Project, headquartered in Atlanta, was given a capped expense account after her departure, allowing her to attend conferences and meetings. The organization knew that her activism was in line with its mission and that having her serve as an ambassador for the organization in the field would help the organization raise money and awareness.

Name on the letterhead

Because exceptional leaders have often developed name recognition that can be helpful to an organization, some organizations keep former executives' names on their letterhead, identified, for example, as "executive director emeritus" or "founding director." Some former executives appreciate this recognition and inclusion as well.

Coach/advisor to the new executive and to staff

Depending on the particular people involved, in some cases a former executive can serve as a coach or advisor to the new executive and to staff. Some former executives find they have new insights after leaving and want the new executives to benefit from them, or simply want to be helpful.

"As I've stepped away and looked through the window from the outside, I can see a lot of potential, and areas where I would recommend improvement, that I wasn't able to see when I was in the midst."

— Bart Givens, former executive director,
Pikes Peak Community Action Agency

"Ask me for just-in-time information. If you have a question about someone you're about to go into a meeting with, just call me up and ask me what's the deal with this person. I don't want you to worry that I'll make it into a big long conversation. And hopefully, if you know that, you won't hesitate to call or e-mail."

— Former executive director relaying
advice she gave to her successor

In one case, a former executive had a role coaching the new executive in major-donor fundraising. In another, a former executive volunteered to critique grant proposals by the new grantwriter. And in another case, a former executive attends orientation sessions for new staff and makes presentations on the organization's history, evolution, values and ideals.

Writer

Some former executives take on writing projects for their organizations. These writing assignments can include internal process and planning documents, external communications pieces, or historical or inspirational documents for the staff and board. Pat Gray, former executive director of The Food Project in Boston, took on three writing projects after she left the organization. "These projects are at the board's request, and I am taking them on as a paid consultant," she said. "They are some of the few things I left undone that only I have the background knowledge to do."

Advisory board member

For organizations with advisory boards or with identified groups of advisors, adding the former executive may be an easy choice that is helpful to all sides.

These additional roles are modest but important opportunities to keep exceptional leaders involved with the organizations they have led so successfully. When exploring the options for keeping a former executive involved, it is helpful if the board engages the new executive in weighing the options.

Grantmakers' roles in supporting nonprofit executives who decide to stay with the organization can include the following:

- **Supporting sabbaticals.** A sabbatical can give an executive much-needed time and distance to decide what might be the best course for him or her and for the organization. A sabbatical also allows the staff and board to learn how to work together without their long-time leader.
- **Encouraging and supporting executive transition planning.** If an executive decides to stay engaged with the organization in some way, grantmakers can encourage the organization to put thought and planning into these types of transitions and can provide funding for executive transition consulting or other help as needed.
- **Supporting the new executive director, including by continuing funding.** Even the smoothest leadership transition can have its bumps — especially if the departing executive stays involved with the organization in some way. This can be a source of added stress for the new executive director. Grantmakers should be sensitive to the challenges a new executive director might be facing, be as supportive as possible, and be aware of how a grantmaker's personal relationship with the departing executive might impact the new executive and the organization.

Option 2: Taking on a position at a different organization

In line with the idea of retirement as a gradual, stop-start withdrawal from the workforce, some executives

JIM CHAPPELL, SAN FRANCISCO PLANNING & URBAN RESEARCH ASSOCIATION (SPUR)

Jim was executive director of SPUR for eight years; a few years ago his title was changed to president. The second-in-command had the title of deputy director. Last year the deputy director became the executive director, and Jim's job — although not his title — changed, and he became, in effect, the capital campaign director.

This job restructuring came about for two reasons. We had started doing something we hadn't done before: a capital campaign to build a building. The existing development director couldn't have taken it on. It wasn't getting done. Our deputy director had been there eight years. He had moved through every position in the place, and he was getting sick of being number two. He was ready to take over before I had expected him to be ready.

I would never have done this if there hadn't been someone here already. But as it was, it was logical for me to move sideways into the capital campaign.

It's been tougher than I thought it would be to give up the reins — the hardest thing I've ever done. He wanted the job because he wants to do things differently — both internally and externally — and that's what he's doing.

What else did you consider?

First we tried working with capital campaign consultants and got modest results. When it comes down to it, the boss has to do the fundraising. If we had had a development director who could have stepped up to do the capital campaign, then I could have stayed. But the deputy director would probably have left.

But you're not the boss now. How does that work?

As I said, it's the hardest thing I've done in my life. This organization is a big part of my life, and I've got to make this campaign a success. And it will be a success. We're going to meet our goals in another year and a half.

What advice do you have for someone considering doing what you have done?

Talk every day. Talk *all* the time.

have gone on to work in other organizations in second-tier leadership roles.

But despite many examples of former executive directors stepping into nonexecutive roles, when asked for referrals of prospective candidates for such positions, grantmakers and others often don't think of former executives as candidates for COO, development director, program director or other positions.

In one example of such a transition, Thora Jacobsen left her position as executive director at the Samuel S. Fleisher Memorial in Philadelphia to become chief operating officer of Philagrafika (The Print Collaborative). Her move from a 109-year-old organization to a start-up after 33 years with the Fleisher Memorial

was a dramatic and risky one, but she is happy with her decision. "I want a job that isn't so challenging that I'm killing myself, but it has to be challenging enough that I'm continuing to learn," she said.

In the 25 years since he retired from his CEO position, Joe Valentine has served as an interim director for seven nonprofits, run a family foundation and served on several nonprofit boards. "Some nonprofit professionals I know looked forward to getting their place in Florida and playing golf every day," Valentine said. "I tried retirement for about six months. People wonder if I'm willing to work for a smaller organization or in a number-two job when I've had a bigger job. But I've been to my mountaintop; I don't

FOLLOWING A LEGEND

While there are many benefits to keeping a departing executive engaged with an organization, there can be challenges as well. Many of the burdens can fall on the shoulders of the new executive director. One executive director shares his reflections on filling the shoes of an exceptional, loved founder who stayed involved with the organization.

How were you able to leverage your predecessor when you first started?

There were a couple of critical functions that were unstaffed when I came on, and I thought it would be good if I could deploy people I had nearby. He acted as the director of national programs, which was a new position, until we hired someone. That worked well. Then I asked him to stay on and do some work in fund development. It was a little tricky there. I needed to step up, and his being there allowed me not to jump into it sooner. I relied too much on continuity as being important.

I learned that I kept him too close for too long. This choice also didn't support the rest of the staff who were having trouble letting go of him.

How did he contribute — or not — later on?

He's an influence magnet. We asked him onto the advisory council, and he was on the leadership committee of a fundraising campaign. And after he had really left we would go out to dinner every once in a while and he would describe himself as a "supportive advocate," which meant he was going to be critical but was supportive. I dreaded those dinners. He was criticizing things that weren't being done his way, and I wasn't secure enough yet about my way.

But the periodic interface was really valuable, and it would have been more valuable if I had been more agenda-ed, said to myself, "I need to ask him about this and this and this." I wish we had co-designed the frequency and intensity of interaction, such as once a month for the first four months.

And then, years later, when we gave him an award, I felt really good about it. I wanted to honor his contributions, and it took a few years for me to be able to do that.

After 10 years, you yourself left as an extraordinary, loved leader. How does it feel to you now?

There's been total exclusion. Nobody even asked me for a donation to the [annual fundraiser]. I was on a list to be called, just to see if I would be attending, and the volunteer didn't know who I was. One day they're singing your praises, saying how you built things up brick by brick. Then, amnesia! I have to figure out how to be appropriately connected to the organization, and I wish I could figure it out with my successor.

need to do that again.” At age 79, Valentine accepted a full-time position as the capital campaign director for a music center.

In another example, Paul Sussman went from being executive director at a small organization to serving as CFO in a large one. (See sidebar below.)

Grantmakers’ roles in supporting nonprofit executives looking for other nonprofit jobs include the following:

- **Keeping former executive directors in mind** as candidates for CEO, COO, CFO and other leadership positions. In some cases these jobs can be performed by seasoned executives on a part-time basis. Grantmakers frequently

receive queries from search consultants and other colleagues, so they can serve as an important resource.

- **Encouraging former executives to stay active** in professional associations such as the National Association of Social Workers or the Association of Fundraising Professionals, and encouraging such associations to retain such members. Executives will not only contribute to the association but may find unexpected opportunities for consulting or employment.

PAUL SUSSMAN, FROM FOUNDING EXECUTIVE DIRECTOR WITH EIGHT STAFF TO CFO AT AN ORGANIZATION WITH 230 STAFF MEMBERS

I was at the [Northern California Community] Loan Fund almost 11 years. Decisions and program development were taking longer than they should have. I was having a hard time changing some of the ways in which I worked. I didn’t think I could get out from my history as a founder to become more of a delegator. I thought I could evolve, but I couldn’t evolve there. And I was tired. For my sake and the organization’s sake I needed to move on.

I left two years later than I should have left. Part of me had already decided it was time to go, but my board didn’t talk about my increasing lack of fit with a larger, growing organization. I could have brought it up; they could have said something: not a shove, but a question.

I went to a nonprofit career counseling center because I wasn’t sure what I wanted to do. My mother’s death around that time had something to do with it; it helped me ask myself, “What am I waiting for?” I was in the same basic class with the 23-year-olds and the 70-year-olds. It was extremely helpful in clarifying what I was fit for in terms of style and temperament — not a skills issue, but a temperament issue.

I worked in a series of long-term consulting relationships, usually working with a management team or executive on concrete problem solving.

Then I discovered that I missed the connectivity, the commitment to an organization, the more permanent sense of being part of a team. I was working at TNDC (Tenderloin Neighborhood Development Corporation) two days a week as a consultant, doing the sort of things a CFO does but without the line responsibilities. I’d thought I didn’t want a job, but on the eve of their CFO search I decided, “What the heck.”

Now I’ve been here three years. I’m in my dream job.

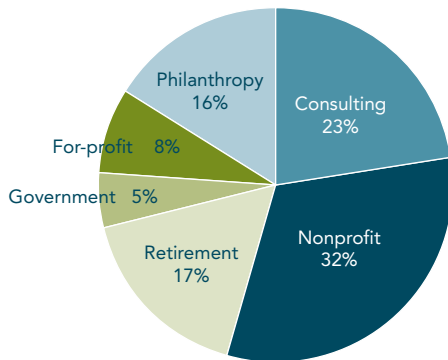
I have an executive director who is the first real supervisor I’ve ever had. It’s great on the level of accountability because I’m not a particularly well-self-regulated worker. It’s not about having a boss; it’s about having a sounding board about priorities and those sorts of things. I had formed some bad habits. This has brought discipline and support when I’m feeling overwhelmed.

My advice for other departing executive directors would be, first, find a way to think about fit, not about skills. If you’ve been somewhere for a long time, you’ve probably been focusing on skills, not fit. Second, find a transitional place for yourself without going on right away to the next massive commitment. Third, never say never. Don’t limit yourself. You might be surprised at what the right next job is. Look at me.

Option 3: Staying involved in the field and community

Most of the former executives interviewed for this study were doing some combination of part-time consulting, advising and interim staff work. This is much in line with the *Daring to Lead 2006* finding that while three of four nonprofit executive directors planned to leave their jobs within five years, 72 percent expected to stay in the nonprofit sector. Of this group, choices were fairly evenly divided among another nonprofit job, a position in philanthropy and consulting to nonprofits:

Ideal Next Sector for Nonprofit Leaders



From *Daring to Lead 2006*, by Jeanne Bell, Richard Moyers and Timothy Wolfred, CompassPoint Nonprofit Services and The Meyer Foundation, 2006, www.compasspoint.org/daringtolead2006.

This section looks first at executive work in interim positions; continues to consider consulting, coaching and other advisory work; and then considers community and board leadership positions.

A. Interim executive positions

As the practice of executive transition management has evolved and spread throughout the sector, a key component has been the important role that interim executive directors can play. An interim executive director can give a board enough time to make an

unhurried hire, help the staff and board through an emotional transition, take care of some deferred decision making, and set the stage for a successful entry by a permanent executive director.

The demand for interim executive directors has grown, and retiring executive directors are often ideally suited to fill the demand. Grantmakers and others can help leverage such directors into interim positions by promoting and publicizing the usefulness of interim executive directors to boards of directors and by keeping former executive directors in mind for interim positions of many sorts.

Some communities have built formal interim executive director programs, in each case with a grantmaker or group of grantmakers identifying a nonprofit as the home for the program. In just one example, a group of 10 grantmakers created the New England Executive Transitions Partnership (NEET), which chose Third Sector New England in Boston to be the sponsoring organization for an interim executive director and other transition programs.⁷ In another example, J.P. Morgan Chase and the Annie E. Casey Foundation worked with the Support Center for Nonprofit Management in New York to establish an interim executive director program. CompassPoint Nonprofit Services was involved in replicating its own interim executive director program in these and other locations, and program director Tim Wolfred explains how it has worked:

In each case there was a sponsoring agency so that the interim executive director program was a piece of an existing executive transitions service with a staff and infrastructure in place. And there was also local funding to pay for CompassPoint’s consulting.

Typically, the sponsor puts out a notice that they’re putting together a pool of interim executive directors, provides some kind of orientation to the job, and screens the candidates. Usually, to be qualified, you have to have been an executive director already.

7. For more information on NEET and the TSNE program, see http://www.tsne.org/site/c.ghLUK3PCLoF/b.1354341/k.61EE/Executive_Transitions__Our_Origins.htm.

CompassPoint provides one-and-a-half-day trainings for the interims. Then the sponsor needs to get the word out in the community that this resource exists.

In many cities there are one or two people who have been doing it for awhile, but it doesn't seem to spread beyond them. Having a sponsoring agency keeps more people involved; broadening the pool helps with quality and fit, and the bigger the pool the more the prices stay down.

B. Teaching, coaching, consulting and advising

Years of on-the-job experience and content expertise make some departing nonprofit executives strong candidates for teaching, consulting and advising positions.

Teaching

Nonprofit executives often find teaching to be a satisfying activity, even if the financial rewards are limited. With more and more universities offering degree programs and continuing education in nonprofit fields, there are more opportunities as well.⁸ Many nonprofit training programs and leadership development courses also seek experienced leaders for teaching, coaching and program management roles.

Coaching, consulting and advising

Easy and natural moves for many executives are to become consultants to nonprofits and foundations, coaches to nonprofit staff, or advisors for initiatives

and coalitions. This freelance work is in line with what labor experts now see as “bridges” from career jobs to retirement. Rather than retire permanently in one step, employees now withdraw from the workforce gradually, in a stop-start way, over a period of years.⁹

Former executives, like many others who have left nonprofits, foundations and companies, often do not see themselves as proactively establishing consulting practices; rather, informal requests come to them from former colleagues and grantmakers. Some find that these unsolicited inquiries taper off, and with networks eroding quickly, work may be more difficult to obtain.

In addition to referring former executives as consultants to nonprofits, some grantmakers have engaged them as consultants and advisors to their own organizations. In one example, Paul Sussman worked with two foundations by reviewing proposals and advising the foundations on how to respond.

C. Board leadership

Leadership on and through nonprofit board positions is so much a part of nonprofit leaders' experiences that many of them even forget to mention it until prompted. Many continue the board service they began while on their jobs but step into board presidencies or other leadership positions now that they have more time. In one example, Jennie Chin Hansen of On Lok Senior Services became the national chair of AARP after leaving her executive director position — bringing her thoughtfulness, talent, networks and energy to a new leadership platform.

8. One study reports that in the field of nonprofit management, courses are offered by 255 colleges and universities in the United States, and 74 noncredit programs are offered, in addition to the offerings of field-specific departments such as public health, wildlife management, early childhood education and other areas (Rosanne M. Mirabella, *Nonprofit Management Education: Current Offerings in University-Based Programs*, Seton Hall University, 2002).

9. Kevin E. Cahill, Michael D. Giandrea and Joseph F. Quinn, “Are Traditional Retirements a Thing of the Past? Recent Evidence on Retirement Patterns and Bridge Jobs,” Working Paper, U.S. Bureau of Labor Statistics, 2005.

Former executive directors bring unique perspective and commitment to nonprofit board service. Some leaders take board positions during their careers because of their connections to the organizations they work for, and stepping out of an executive director role frees them to contribute to organizations that are connected to personal interests. For example, while Kathy Owyang Turner was executive director of the San Francisco Education Fund, her board service was related to organizations working on issues in education. “As I was leaving [the organization], I felt a need to go back to my own [Asian] community to contribute the things I had learned in an organization with a larger mission,” she said. She later became board chair of the Angel Island Immigration Station Foundation.

In many cases, nonprofit executives can make ideal board members because they have a deep understanding of the board-staff relationship and empathy for the executive director. But switching hats from executive director to board member can be challenging as well. “After having experienced many board chairs, I wanted to become my ‘idealized board chair’. I don’t know if I’ve succeeded, but it helps to have walked in the executive director’s shoes,” Turner said of her board service with the Angel Island Immigration Station Foundation. “I didn’t want to micromanage. I tried to be respectful of what’s appropriate for the board and what’s appropriate for staff. But sometimes the board does need to step in more if they see something isn’t getting done. That can be a hard call to make.”

The issue of board leadership is receiving increasing attention in the nonprofit sector. Board chairs have tremendous potential to raise the sights and vision of an organization, mobilize its constituents, support and challenge its staff leadership, and drive the strategic leadership of the board. Imagine the impact a community of 10, 30 or 80 highly experienced, highly committed board chairs could have. Such

a squadron might well be composed of nonprofit leaders departing their executive director positions.

D. Elected and appointed government service

An unrecognized leadership role for many executives is one of community and field leadership. Many executive directors continue to exercise leadership in their fields and in their communities, even without the organizational platforms from which they have operated for years.

Elected office is an area in which nonprofit leaders have sought and found success, and may be an especially important area for baby boom leaders as they retire from full-time employment. These leaders have considerable assets they can take into public office, including strong networks, fundraising skills, depth of community and/or field knowledge, public speaking ability and leadership skills.

In one example, Vincent Gray, founding director of Covenant House in Washington, D.C., was not only an exceptional organizational manager, he was influential in the district in a variety of civic matters. It was a natural step for him to leave Covenant House after 10 years to run for and win a seat on the Council of the District of Columbia, later winning an at-large election for council chair. In another example, Judy Kleinberg founded KidsCount in Palo Alto to advocate for kid-friendly public policy; years later she left to run for and win a city council seat and later the mayorship — where she could enact and execute those policies.

Governmental commissions and advisory bodies often ask grantmakers and nonprofit leaders to recommend candidates to fill vacant positions. Claire Peeps of the Durfee Foundation says her organization often receives requests for recommendations for mayoral appointments, speakers, or advisors to county departments, and she often recommends grantees or executives from the Durfee Foundation’s sabbatical program. Several former nonprofit leaders serve in Los Angeles Mayor Antonio Villaraigosa’s office, including Torie Osborn, former executive director of Liberty Hill Foundation.

Grantmakers' roles in encouraging former nonprofit leaders to stay involved in the sector and community include the following:

- **Supporting interim executive programs** and encouraging departing leaders to get involved in such programs
- **Recommending former (and current) nonprofit leaders** for government appointments, board positions, adjunct faculty positions or other roles in the community
- **Encouraging nonprofit leaders to apply for positions** on county commissions, area planning bodies, academic faculties, nonprofit boards and advisory committees
- **Encouraging government officials to create full- or part-time nonprofit liaison positions**, or positions that will lean heavily on nonprofit and philanthropic organizations in the context of an initiative or policy campaign
- **Engaging former executive directors as paid or volunteer lobbyists and government relations personnel** for causes, coalitions and organizations



3. What are the personal challenges for executives thinking of leaving or changing roles?

“The feeling started about two years before I actually left On Lok. I remember telling my husband to please bear with me. I didn’t know what this inner shift really meant. I also started to feel that the organization needed a different set of leadership skills than the ones I could offer. I began to feel that I was not the right leader for On Lok at that time in its history.”¹⁰

— Jennie Chin Hansen, former president, On Lok Senior Services

While the main focus of this study was on how departing executive directors can best continue to make contributions to the nonprofit sector, there is obviously a personal element to this story that is important for grantmakers to keep in mind. In anticipation of leaving their jobs, executive directors often experience uncertainty and anxiety about what will come next. They are used to making major decisions based on organizational needs, yet this decision is based primarily on personal needs and desires. They are likely to have at least some ambivalence

10. Jennie Chin Hansen, “An Encore Journey: One Professional Writes Her Second Act,” *Aging Today*, January–February 2007, p. 3.

and concern over whether they are making the right decisions for their organizations and for themselves, and financial concerns may complicate the issue even further. While the field has paid much attention to organizational issues related to nonprofit executive transitions, this study looked more closely at the executive herself (or, less frequently, himself).

“After I announced [I was leaving] I had a real case of buyer’s remorse. I don’t know what else I can do. I’m a generalist. I don’t have enough expertise in any one field. I don’t know how to sell myself. I’m 65. I’ve been here 22 years. Do you think anybody would want me?”

— Executive director who announced her departure a year in advance

This kind of anxiety may keep some executives on the job longer than is right either for them or for their organizations, or may diminish their effectiveness in their final months or years. There are several reasons why grantmakers and others might help pre-departure executives to understand post-job options. First, it can be comforting and confidence boosting for executives to know that there are paths that others have pursued successfully:

“This provokes fear for them [two women leaders in their late 60s from separate organizations]. And they’re women who have taken on the legislature, so they’re not fearful people! They had one simple thing they needed to know: What are their options? And this was a freeing framework for them: Instead of ‘What could I do?’ we changed it to seeing themselves as assets and how to maximize those assets.”

— Pat Brandes, senior advisor,
Barr Foundation

Second, some long-tenured executives recognize that they’ve led their organizations to a stage where a new style of leadership is needed. Such individuals may find themselves more open to leaving if they know there are ways they can continue to be active:

“I look at [our longtime] grantees. Nobody wants to retire. They want all the things that

are fun and they don’t want any of the things that aren’t fun. Maybe if they have an idea of what else they could do, they would feel more comfortable about leaving.”

— Grantmaker

Third, *how* the executive leaves has an impact on his or her organization. A good departure can position the organization well for the future, while an executive who leaves troubled and conflicted may unintentionally create troubled feelings on the staff, on the board and with the successor.

A variety of factors come to bear on executives deciding to leave, including family events, burnout or consideration for what’s best for the organization. Fostering a “good ending” by being supportive of the departing executive (and the organization) is key to managing the transition well. Grantmakers can help with this transition by using their knowledge and networks to help departing executives understand the options available and make connections with other leaders in similar situations so they realize they are not alone.

How do sabbaticals influence executives’ thoughts on whether to leave their jobs?

As grantmakers have turned their attention toward leadership support and development, many have also begun making sabbatical grants to provide executives opportunities to rest and reflect about their lives and their jobs. Some executives credit sabbaticals with allowing them to return to their jobs refreshed and renewed, and in some cases to restructure their own jobs. Others find that the time spent on a sabbatical helps them decide to leave.

Either way, many executives and grantmakers appreciate the power of sabbaticals to allow executives to think — and then either to return to their jobs renewed and refreshed or to leave their jobs deliberately and thoughtfully.

We had an ED in HIV services who had already talked to her board about leaving and thought of the sabbatical as part of thinking about transitioning, and then on the sabbatical she realized she loved her job and she wanted to stay.

Another grantee was executive director at a clinic who is an LCSW [licensed clinical social worker], but she hadn't practiced in many years. On sabbatical she did direct social work and realized she loved it and that for her remaining work years she wanted to go back to clinical work.

— Sandra Martinez, program officer, The California Wellness Foundation

In cases in which grantmakers convene sabbatical awardees, over time the sabbatical cohort grows into a pool of leaders, many of whom will have left their jobs and are familiar partners to grantmakers who can make use of their talents elsewhere.

Grantmakers' roles in helping nonprofit executives and their organizations during the thinking phase

Helping executives reflect on their own careers and make choices that are good for them and for their organizations is work for everyone in the sector. When executives make thoughtful choices, their organizations can be better prepared.

The research and literature on nonprofit executive transitions offer much to think about, although they typically focus on helping an executive and an organization when a decision for departure has already been made. Some ways to help executives and their organizations during a thinking phase include the following:

- **Bringing executives together for special workshops on transitions and succession planning.** For example, TransitionGuides, CompassPoint Nonprofit Services and the Annie E. Casey Foundation offer a series of Next Steps workshops for nonprofit executives.
 - **Supporting succession planning in its broadest meaning** by developing bench strength in organizations and internal leadership development mechanisms.
 - **Helping board leaders think about succession planning.** For example, LISC holds succession-planning workshops for nonprofit executives and board chairs.
 - **Raising the visibility of executive transition and succession planning.** Conference sessions, workshops, article distribution and informal conversations are important means by which the sector learns, tests and develops new concepts and practices.
 - **Funding the development of tools** that help executives and boards determine when a good executive is no longer the right fit for the organization.
- **Supporting opportunities for executives to reflect and consider personal and organizational futures.** This can include sabbaticals, retreats, executive coaching & peer group participation.

DO FOUNDERS AND NONFOUNDERS DIFFER IN HOW THEY LEAVE?

“Some founders want a statue,” wryly commented executive transitions consultant Tim Wolfred of CompassPoint Nonprofit Services. “Nonfounders, even if they’ve been there 20 years, put on their coats and leave.”

Founders and nonfounding long-tenured executive directors share many characteristics: They are deeply committed to their organizations and have been instrumental in shaping them, and they are identified with their organizations both internally and externally.

This study spoke with eight founders and 11 nonfounding executives — too few from which to generalize with confidence. But there did seem to be differences between the two groups as they thought about leaving their organizations. In general, founding executive directors found it more difficult to leave their organizations. Some of the founding executive directors we talked to kept close ties to their organizations — either through new positions or more informal roles. In one extreme example, a founding executive director planned to shut down the organization once she was ready to retire because she didn’t feel the organization could or should continue without her.

“In my experience, organizations with founders tend to have weaker boards,” said Rick Moyers of The Meyer Foundation. “The people on the boards of organizations with founders are there because they want to support the executive director and her vision. When a board has to hire someone and make sure that person’s successful, they become a more independent, stronger entity.”

Martin Cohen at the Legacy Project of the Philadelphia Cultural Management Initiative noted that the founder may play a different role in an arts organization, where the organization may exist to give life to the singular artistic vision of its founder. “I know one founder who’s coming to grips with the thought that his dance company may not be able to live on after him,” he said. And about a leadership group for arts directors, he said, “We asked them to talk about themselves for 10 minutes each, not about their organizations. The founders couldn’t identify themselves without talking about their organizations, and even handing out brochures!”

PERSONAL FINANCES AND THE BABY BOOM NONPROFIT EXECUTIVE

“I’m worried about how these executive directors are going to manage,” commented one grantmaker interviewed for this study, adding, “After all, most nonprofits don’t have pensions.” And one executive director wryly noted, “I’m a bag lady in training.”

Although addressing the issue of personal finances was beyond the scope of this study, the topic was repeatedly raised by interviewees. Three thoughts emerged as important contexts when considering this question. First, within the nonprofit workforce, executive directors are probably among those with greater financial security. They have probably been paid better than others in their organizations, and nonprofit executive directors often share the characteristics of typical baby boomers who are relatively well-off: white, well educated and married.¹¹ The social workers, bookkeepers, musicians, nurse’s aides and others are more likely than executive directors to have had low incomes and to have fewer savings for their older years.

Second, the financial needs of aging nonprofit leaders combined with their relative health (compared with the general population) and their commitment to civic involvement make it even more likely that they will try to stay in the workforce well into their 70s and beyond. One modest way grantmakers can help is to encourage organizations to make use of this cohort on full-time, part-time, temporary and per-project bases.

Third, the larger issue of compensation in the nonprofit sector (not to mention in the United States in general) must be addressed at points long before employees reach their 60s. Nonprofit compensation is a larger issue that receives relatively little attention from the grantmakers and think tanks of the sector, especially given the high percentage of nonprofit expense that is attributed to personnel, and the importance of personnel quality to social outcomes.

11. Barbara Butrica and Cory Uccello, *How Will Boomers Fare at Retirement?* Urban Institute for AARP Public Policy Institute, 2004. <http://www.urban.org/publications/900767.html>



4. What are grantmakers' roles in keeping departing leaders engaged?

Issues relating to the departure of nonprofit leaders and their potential for social change are more relevant to some grantmaking strategies than to others. Some grantmakers focus on supporting the ability of current executives to manage their organizations to achieve excellence and scale. A grantmaker using this approach may be less interested in former executives than in supporting executives on the job.

Some grantmakers, however, are primarily interested in the field and community leadership aspects of nonprofit executives. Grantmakers interested in leadership at the community level will likely find supporting departing executives a relevant and useful approach.

In addition to the ways described above to support departing and departed nonprofit executives, there are some areas in which grantmakers are uniquely positioned to play significant roles.

Providing standing and positions

Nonprofit executives lose their organizational platforms and access when they leave their jobs. They aren't at the conferences or convenings where they might have raised their hands for particular projects. In a society where power and identity come from one's work organization, departed leaders become ambassadors without countries, activists without

standing and resource deployers without resources. What can grantmakers do to help keep departing executives connected to the field? One interviewee offered some advice:

Number one, don't act like the person's dead. Some foundations don't realize we are human resources they could capture. There are skills that people who have run nonprofits have that nobody else has.

— Marti Wilson Taylor, former executive director, YWCA of Boston

Some grantmakers have explored the idea of providing standing and position. Following are two quotes, one from a foundation program officer and one from an executive:

We thought about creating fellowships here at the foundation. We'd give people a cubicle, a phone, a title something like senior fellow, and they could use it to do their work. But then we started to wonder: Would anyone even want to hang out here? Maybe they're glad they don't have to see us anymore. And could we ask them to do things? Would they ask us to do things? We're just not sure.

— Grantmaker

A foundation president who's a friend of mine made me a great offer: I would be called "senior fellow" — no pay but I could do anything I wanted with it. Wow! But then I started to think: It's a pretty minor foundation and it's 2,000 miles away. What do I want to do that this would help me with? I decided instead that I should decide what I want to do and what foundation I should approach for a similar offer. Anyway, that was six months ago and I still can't think of the right combination. But I still like the idea.

— Former executive director

Referrals

Grantmakers are important referral sources for nonprofits, whether the nonprofit is seeking staff,

temporary staff, other grantmakers, consultants, research work or organizational resources. And grantmakers know that good referrals are a crucial way in which they can support grantees beyond grantmaking.

Be quick to introduce this person to colleagues. Say there's an ED in economic development. The grantmaker has an interest both in economic development and in women's roles in society. Take that person to a women's issue conference. Advocate for that person to be a project director or initiative director.

— Susan Egmont, principal, Egmont Associates

Consider her a general resource. Suggest her to an organization looking for board members. Give her name to a search consultant who is trying to fill some position. Suggest her as a speaker or a trainer. Be aware of other grantees who may need interim EDs or other interims.

— Tim Wolfred, senior project director, Executive Transitions, CompassPoint Nonprofit Services

Programs and initiatives

Foundations are beginning to see — or even initiate — programs and initiatives specifically designed to engage nonprofit leaders who have left their significant jobs. Some are emerging naturally as leadership cohorts age. For example, the Durfee sabbatical awardees are selected as current executive directors, but 11 years into the program some of the earliest awardees have now left their positions. These and other groups of leaders have a new, unexpected potential impact: to act (formally or informally) as networks that connect former executives with current executives and with one another. To support this engagement, the foundation pairs sabbatical awardees (some on their jobs, some having left them) with start-up executive directors, paying the mentors

A COMPLEX WEB OF ORGANIZATIONAL PARTNERSHIPS, JOB REFERRALS AND BOARD SERVICE

Interview with Carrie Avery, executive director, Durfee Foundation

The Durfee sabbatical program (in Los Angeles) creates a community of nonprofit leaders who have received the award through twice-yearly lunches held at awardees' organizations, and biannual retreats. All past recipients of the award are invited, and many people who took their sabbaticals years ago attend the events. This cumulative community building has created a cross-disciplinary network of executive directors in Los Angeles County.

The Durfee Foundation hasn't had to do much to sustain the network over the years, other than planning and catering the meetings. But the fellowship that has grown out of the network has been tremendous and, if mapped, would show a complex web of organizational partnerships, job referrals and board service. One example: Steve LePore, who received a sabbatical in 1997 when he was the executive director at My Friend's Place, a youth shelter in Hollywood, has left MFP and is now starting a nonprofit to serve male survivors of sexual abuse. He recruited sabbatical classmate Patti Giggans, longtime executive director of Peace Over Violence (formerly the L.A. Commission on Assaults Against Women), to be on his founding board.

\$150 per hour for up to 50 hours per year for up to two years.

In another example, in 1993 the Annie E. Casey Foundation created the Children and Families Fellowship Program, which has now had six classes with a total of 59 fellows. Participants in the 18-month program develop strong ties, and several, with the support of the foundation, formed the Casey Fellows Network in 1997. While the fellows program is designed to enhance leadership, the foundation has naturally found that fellows can contribute to the foundation's work as well. Two-thirds of Casey fellows report that they have participated in one

12. Kim McGaughey, *Annie E. Casey Foundation Fellows Network: A Report on the History, Accomplishments and Challenges of the Casey Fellows Network*.

TRICIA SMITH, EXECUTIVE DIRECTOR, UNITED WAY RETIREES ASSOCIATION

UWRA has dues of \$12 per year and has about 550 members. Membership is open to former United Way personnel at all levels. UWRA has three staff members and a budget of approximately \$150,000. www.uwra.org

We have mentoring. For new executives who have been there under two years, we have a lot of people with 35-plus years of United Way experience. I try to assign someone who's a geographical match. We pay for two site visits; after that they're in phone and e-mail contact. We currently have 15 matches going on, and we try to do about 10 new matches a year (each match is a mentor and a mentee). We also have occasional conference calls — one for all 15 mentors and one for all 15 mentees. We have a briefing booklet for mentees: what documents to gather, how to prepare to work with the mentor, and so on.

Typically mentors acquaint the new people with the United Way system. Mentees especially appreciate learning about how to get access to resources from within the United Way and elsewhere. Mentors also help with board development and give tips from what they've learned.

We also have a crisis response service, which we used to send UWRA members to respond to Hurricane Katrina, for example.

We provide interim executives and sometimes interim CFOs or campaign directors. UWRA members register, saying they are willing to serve in interim positions; some of them are paid and some are unpaid.

More and more of our members are training current United Way staffs on management topics, planned giving, retirement planning and other topics.

We also help our retirees; they get some access to benefits at group rates, for example. A lot of them like the newsletter, and they keep in touch with each other. They elect their own board.

or another activity that supports the foundation, including serving as paid and unpaid consultants to the foundation and making presentations to Casey staff.¹² As the older fellows begin to leave their jobs, the Casey Fellows Network has the potential to become an important resource for the foundation as well as for communities.

A well-established program designed from the start for former executives is the United Way Retirees Association, an affiliate organization of the United Way of America. UWRA trains and mobilizes retired United Way leaders to help local United Ways with mentoring, crisis response and staff training, or to serve as interim directors. Its program components could easily be adapted for foundation use, or for other national organizations with local chapters or affiliates.

Some other national organizations make use of retired executives for their chapters. The YWCA national office, for example, maintains a list of retired YWCA executives who can serve as interim executive directors for local YWCAs.

In exploring this new realm for program creation and grantmaking, grantmakers might consider the following questions:

In the context of our capacity-building approach and our grantmaking in general, how do we want to help individual leaders and their organizations think about their departures?

How can our program officers work appropriately with their grantees when our foundation thinks the executive director should be leaving? How can our program officers help executive directors we hope will stay longer to stay on the job?

Do we have leadership development, sabbatical or other programs that have developed networks and relationships? If so, do these include leaders who are reaching traditional retirement ages, and are there ways we can leverage the network to support these leaders' continuing engagement?

Among our grantees, are there national, federated or coalition organizations that we could support in developing structures for their members to use former executives?



5. Concluding Thoughts

Much of the thinking about nonprofit leadership has appropriately addressed developing leaders who are effective within and through organizations. This study has taken a different tack: thinking about long-tenured leaders as resources unbound from their organizations. These leaders are a kind of natural resource that can be helpful to nonprofits, grantmakers, government, communities and movements. This study has found many ways in which the sector can productively engage departing leaders for community good and for social change.

At the same time, using this resource is not without complications, for the executives themselves, for grantmakers, for organizations and for the field. Nonprofit leaders often struggle with the decision about whether to leave — trying to keep in mind both their own personal trajectories and the interests of their organizations and causes. Opinions are divided about most nonprofit leaders: The same individual can be seen by some as a treasured leader and creative thinker, and by others as a stale, self-absorbed personality who needs to get out of the way. In addition, while one danger is to overlook this leadership cohort’s ability to contribute, another danger is to overpromote its importance and value — thereby retarding change rather than stimulating it. It’s not easy to find the right places for former executives to contribute positively, productively and in ways they will enjoy.

The questions raised concerning departing executives also speak differently to different grantmaking strategies. Some grantmakers, for example, focus on the CEO-like aspects of nonprofit executives,

emphasizing management strategies and internal capacity. In this context, a former leader may be of less interest than he or she would be to grantmakers who see themselves nurturing movements or communities, and building fields of knowledge and endeavor.

This report will help grantmakers in several ways:

- To spark authentic, useful conversations with grantees and colleagues about their possible departures from their organizations
- To support nonprofit executives, their boards and their organizations as they anticipate and experience executive departure
- To suggest ways that nonprofit leaders can be engaged in both nonprofits and in philanthropy: as board members, as staff, as consultants and as partners
- To encourage the development of fellow, interim executive and other programs

This report should also be useful for nonprofit leaders, both staff and board members, as they consider how to utilize this “natural resource” for the benefit of their organizations, fields and communities. We can expect a bright array of options to emerge, be tested and evolve over the coming years.

“What should EDs do after they’ve left? They should party! And then get some support on deciding what to do next.”

— Fatima Angeles, director of evaluation and organizational learning,
The California Wellness Foundation

Recommended Literature and Resources

This section offers bibliographic information and an overview of resources that could be helpful to grantmakers interested in this issue.

Reading List

Adams, Tom. *Founder Transitions: Creating Good Endings and New Beginnings*. Annie E. Casey Foundation and Evelyn and Walter Haas, Jr. Fund, 2005.¹³

<http://www.aecf.org/upload/PublicationFiles/LD2928K642.pdf>

This guide examines the unique challenges presented by transitions involving founders or long-term executives. It provides clear advice for executives and their boards in confronting the complex issues these transitions present.

Bell, Jeanne, Richard Moyers and Timothy Wolfred. *Daring to Lead 2006*. CompassPoint Nonprofit Services and The Meyer Foundation, 2006.

<http://www.compasspoint.org/daringtolead2006>

Based on 2,000 surveys from eight metropolitan areas, the report examines executive turnover, compensation, career plans and retirement. Among the findings relevant to this research are that executives want to stay in the nonprofit sector, with their ideal next jobs identified as at other nonprofits, at grantmaking institutions or in consulting.

Bonavoglia, Angela, and Anne Mackinnon. *Executive Transitions: Grantmakers and Nonprofit Leadership Change*. GrantCraft, 2006.

www.grantcraft.org

In this guide, grantmakers discuss their experiences with nonprofit leadership change in grantee organizations and the larger fields or regions where they work. It's not always easy to be helpful without being intrusive, but it can be done.

Brinkerhoff, Peter. *Generations: The Challenge of a Lifetime for Your Nonprofit*. Fieldstone Alliance, 2007.

www.fieldstonealliance.org

An introduction to generalizations about five generations, here titled the Greatest Generation, the Silent Generation, Boomers, GenX and Gen@. In what is less a research piece than an extended essay, Brinkerhoff comments on six trends: financial stress, technological acceleration, population diversity, changing definitions of family, ultracustomization of marketing, and work-life issues.

Butrica, Barbara, and Cori Uccello. *How Will Baby Boomers Fare at Retirement?* Urban Institute for AARP, 2004.

<http://www.urban.org/publications/900767.html>

This comprehensive report looks at current wealth and projected wealth of baby boomers, including financial wealth, housing equity, Social Security at net present value of projected payments, pensions and various types of benefits. Baby boomer *households* are projected to have an average of more than \$800,000 in total wealth at age 67. Median total income (including wages, Social Security benefits, rental income and so forth) will be approximately \$44,000 at age 67. The report examines differences among race, gender, marital status and age cohorts within the baby boom generation and notes that employment after age 67 is difficult to project for the baby boom cohort.

13. Part of the Executive Transition Management Series. For more information, visit <http://www.aecf.org/Home/KnowledgeCenter/PublicationsSeries/ExecutiveTransitionMonographs.aspx>.

Cahill, Kevin E., Michael D. Giandrea and Joseph F. Quinn. "Are Traditional Retirements a Thing of the Past? Recent Evidence on Retirement Patterns and Bridge Jobs." Working Paper. U.S. Bureau of Labor Statistics, 2005.

<http://www.bls.gov/ore/abstract/ec/ec050100.htm>

The authors conclude that permanent, one-time retirement events are being replaced by workers using bridge jobs as a means of gradual withdrawal from the workforce.

Civic Ventures. *Life Options Blueprint*. Civic Ventures, Libraries for the Future and the Virginia G. Piper Charitable Trust, 2003.

<http://www.lff.org/programs/lifeoptions/LifeOptionsBlueprint.pdf>

Based on a study of Arizona seniors, this paper proposes the creation of Life Options Centers to "encourage the development of destinations and approaches that assist older adults in the transition to a new stage of life characterized by individual and social renewal." Although the examples of services and centers for seniors are designed for the general public, many of the same ideas can be used on a micro-scale with retiring nonprofit leaders.

CompassPoint Nonprofit Services and TransitionGuides. *Capturing the Power of Leadership Change: Using Executive Transition Management to Strengthen Organizational Capacity*. Annie E. Casey Foundation and Evelyn and Walter Haas, Jr. Fund, 2004.¹⁴

<http://www.aecf.org/upload/PublicationFiles/PB3622H312.pdf>

This report highlights the challenges associated with executive transitions and describes the model of executive management transition that has been used in the last decade. It also details opportunities for grantmakers to further develop and implement strategies to better cope with executive management transitions

David, Tom. "Deserving Grace: Honoring Exiting Leaders." *Leadership*, GEO newsletter, January 2007.

<http://www.geofunders.org/Content.aspx?oid=c05ae1de-20f8-477b-a58c-7f6e6c87693a>

"Missing from virtually all conversations about the leadership deficit is the critically important question: What are we doing to help current nonprofit leaders (to whom we owe so much) with a graceful transition?" In addition to discussing the important role of sabbaticals for nonprofit executives considering leaving, Tom David proposes an award: "I'd like to propose something even more radical for executive directors who are on the verge of retirement but simply can't afford to leave their current job. What if grantmakers were to underwrite 'Abrazo' Awards (Spanish for embrace) to honor their contributions with a one-time cash award and a continuing role in the nonprofit community as a senior advisor to their peers? The cash could be used to pay off a mortgage or credit card debt or to provide a nest egg for an annuity."

Enright, Kathleen. *Investing in Leadership, Volume 2: Inspiration and Ideas From Philanthropy's Latest Frontier*. GEO, 2006.

<http://www.geofunders.org/geopublications.aspx>

An overview of several leadership development programs showing various approaches and grantmaker involvement.

14. Ibid.

Freedman, Marc. "Take Advantage of Us." *Stanford Social Innovation Review*, Fall 2004.
www.ssireview.org (available online only to paid print subscribers)

In this brief article, Freedman contends that retirement-age professionals are redefining the "third age of life" by creating new nonprofits and new kinds of volunteerism, and envisions "a society that refuses to squander the most experienced quarter of the population."

Hansen, Jennie Chin. "An Encore Journey: One Professional Writes Her Second Act," *Aging Today*, January–February 2007, p. 3.

Hansen is a leader in the aging field and writes sensitively in this article about her own transition from leading a nationally recognized organization originally based in the Chinese community to a national advocacy stage, including serving as the president of the board of AARP.

Hubbard, Betsy. *Investing in Leadership, Volume 1: A Grantmaker's Framework for Understanding Nonprofit Leadership Development*. GEO, 2005.

<http://www.geofunders.org/geopublications.aspx>

A broad introduction to nonprofit leadership with a focus on executive transitions. Of particular note is the matrix that looks at three types of capacity: individual, organizational and collective. These three types are mapped against three types of intervention targets: individual, organizational and community.

Karoly, Lynn A., and Julie Zissimopolous. "Self-Employment Among Older U.S. Workers." *Monthly Labor Review*, July 2004.

Notes that self-employment rises among older workers and suggests that as the baby boomers age, they will increasingly move into self-employment, particularly those who are white, male, married, with college educations, and with managerial and professional specialties.

Kim, Helen S., and Frances Kunreuther. *What's Next? Baby Boom–Age Leaders in Social Change Nonprofits*. Building Movement Project, 2007.

http://www.buildingmovement.org/artman/uploads/what_s_next_001.pdf

This study reports on "how twenty-seven social change nonprofit leaders in the baby boom generation view their work and the contributions they have made during the past 30 years." Recommendations include the following: (a) support the baby boom generation's leadership and life transition planning, (b) look for opportunities for continuing contributions by baby boomers, (c) promote cross-generational dialogue to transfer information and share experience, and (d) explore different models of organizational leadership that promote mutual learning and shared leadership.

Kunreuther, Fran. *Up Next: Generation Change and the Leadership of Nonprofit Organizations*. Annie E. Casey Foundation and Evelyn and Walter Haas, Jr. Fund, 2005.¹⁵

<http://www.aecf.org/upload/PublicationFiles/LD2928K643.pdf>

Research indicates that leadership transitions from the baby boom generation to Generations X and Y will become more common within the nonprofit sector. This report delivers a series of recommendations on how a variety of stakeholders can improve the handoff from one generation of leaders to the next.

Ristau, Stephen. *Career Transition Service Leadership Feasibility Study*. Leadership Greater Harford, Inc., 2003.
<http://www.leadershipgh.org/pdf/LGH%20CTP%20Executive%20Summary%2008-03.pdf>

15. Ibid.

Roper ASW. *Baby Boomers Envision Retirement II: Survey of Baby Boomers' Expectations for Retirement*. AARP, 2004.

http://assets.aarp.org/rgcenter/econ/boomers_envision.pdf

This is the follow-up to the AARP's landmark 1998 study on baby boomers and retirement, with a great deal of data on a wide variety of topics.

Tierney, Thomas J. "The Nonprofit Sector's Leadership Deficit." *Stanford Social Innovation Review*, Summer 2006.

http://www.bridgespangroup.org/kno_articles_leadershipdeficit.html

This influential article projects that the sector will need 640,000 new senior managers over the coming 10 years, based on extending current rates of nonprofit organization creation, growing nonprofit size, retirement of baby boom nonprofit executives and movement of executives out of the nonprofit sector. The report calls for investing in leadership capacity, adjusting management compensation to attract and retain talent, and encouraging nonprofits to look more broadly when recruiting executives.

Wolfred, Tim. *Interim Executive Directors: The Power in the Middle*. Annie E. Casey Foundation and Evelyn and Walter Haas, Jr. Fund, 2005.¹⁶

<http://www.aecf.org/upload/PublicationFiles/LD2928K641.pdf>

This paper explores the benefits and basics of using an interim executive director during a leadership transition. It also highlights some considerations that organizations should take into account when deciding whether or not to use an interim executive director.

Other Resources

Executive Service Corps

www.escus.org

The Executive Service Corps is a network of 33 local, independent chapters, focusing on bringing corporate business experience to volunteer consulting for nonprofit organizations. Most provide consulting, executive coaching and some group programming. Although a few nonprofit executives are beginning to consult through ESCs, this is still a very new phenomenon.

United Way Retirees Association

www.uwra.org

Founded in 1987, UWRA has 600 members in the United States, supported by two staff located at United Way of America in Alexandria, Va. UWRA Service Corps members volunteer as crisis response executives (e.g., after Hurricane Katrina), as mentors to new United Way CEOs and as interim staff for United Ways, and provide training and consulting to United Way staff and volunteers in fundraising, planned giving, preretirement planning and other areas.

16. Ibid.

Appendix: What advice do search consultants have for departing executives?

Four search consultants were interviewed for this study: Eunice Azzani of Korn/Ferry International, Susan Egmont of Egmont Associates, Vincent Robinson of The 360 Group, and Tim Wolfred of CompassPoint Nonprofit Services. Their advice can be a helpful resource for nonprofit executives thinking about leaving their positions.

Right after leaving:

Rather than jump into something, talk your plans over with a coach or someone close to you. And take at least three months to get your head cleared, to feel whole and right outside your organization — something like giving yourself a three-month sabbatical. — Tim Wolfred

First, take that sculpting class that meets on the same night as your board meetings used to. Second, do not take that call. Do not talk to your former staff for six months. Put your hand out in friendship to your successor, but refuse to participate in what's going on in the organization. — Susan Egmont

What do you look for in a former executive director as a potential job candidate?

They've got intelligence, contacts and drive, but I also look for them to be perceptive about the experience they've been through. A sense of humor about their departure. A sense of the roles people played rather than the actions people took. — Susan Egmont

If you've done something for a long time, you want to see this and this and that, and you're not open to new places. You may have been really passionate about the mission, but what you've really loved is being innovative. I try to listen for what a person really loved, and connect that dot to a very different opportunity. — Eunice Azzani

Sometimes they have a sense of entitlement: "Don't you already know what I've done?" Their expectations may be too high. Once you've had a big job, you usually want something "higher" — not in terms of title or money but in terms of greater or as-great *impact*. — Vincent Robinson

How do boards and others think about hiring leaders who have left big jobs?

Not all boards or people want someone on the way up. Some specifically want someone on the way down. — Vincent Robinson

People are sometimes scared of someone who is too seasoned. They're worried: Why do they want to come here? They're worried they're going to be too corporate — all about business and not about mission, expect too many resources, just sit in their office and have minions run around and do all the work. I try to have them get to know the person and get them over the hump of what the resume looks like. — Eunice Azzani

People who have had big jobs often also have big reputations — sometimes good, sometimes bad. Other people assume that they know what the person is like. — Vincent Robinson

Final thought:

Say to the person who's doing the search for your successor: "At the appropriate time I'd like to come and talk to you about myself." All of us in search want to keep our eyes on talent. — Eunice Azzani

Grantmakers for Effective Organizations is a coalition of over 300 grantmaking organizations committed to building strong and effective nonprofit organizations. Understanding that grantmakers are successful only to the extent that their grantees achieve meaningful results, GEO promotes strategies and practices that contribute to grantee success.

An electronic version of this report and a host of other resources for grantmakers are available at www.geofunders.org.

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