

Legacy and Letting Go

A Framework for Leadership Transfer

*Row row row your boat gently down the stream
Merrily merrily merrily merrily life is but a dream.*

When it's time to change places in that boat, the dream can become a nightmare. The boat rocks. The water flows. The paddles come alive and glance off the gunwales ... or worse, off someone's head. There may be wind. There may be rain. There certainly are people, who know how to walk on land, but not on water. Plus there's the reason for the change in the first place ... an injury, someone gets tired, or somebody else wants a turn in control. What once was a simple forward motion breaks into a multitude of factors, all of which must be coordinated to ensure a smooth transition.

Changes in leadership in non-profit organizations are a similar experience. Otherwise strong organizations moving merrily down the stream can court disaster even when they undertake predictable, desirable transfers of leadership such as voluntary retirements and promotions: imagine the risk when this transfer is unpredictable or undesired. Increasing the odds of a successful transition requires coordination of many factors, as the board and staff work together to address issues like these:

Legal and financial issues.

Employment at every level is a voluntary contract between the organization and an individual. This contract guarantees rights and creates responsibilities for the hiring organization. The grim prospect of lawsuits for wrongful firing more than offsets the good faith and attention to detail required to handle these issues appropriately.

Organizational stability, structure and resource issues

Some organizational structures can survive an leadership transition: personnel, buildings, and equipment have critical mass beyond the individual at the top. However, for many non profits, a single leader has been responsible for creating and sustaining the web of relationships that provides the financial and human resources needed to maintain operations. In other cases, a charismatic (or dysfunctional) individual may have shaped the entire organization to his or her personality: when s/he goes, some star performers may also lose their luster, just as other new stars may emerge. In every case, there will be a “gap” as employees, volunteers, and funders look to the new chief for leadership and direction.

Redundancy

We have two ears, two eyes, two arms, two legs, two lungs, two kidneys, etc. Nature knows that redundancy is an asset when it comes to ensuring survival. Yet our organizations consistently promulgate the idea that there is only one person at the top to streamline decision making and accountability. Shifting to a mindset that values redundancy as a transition strategy can be challenging... and expensive. The standard model that the board hires and fires the chief executive is great for operations as usual; in times of transition, however, an investment in bench strength (yes redundancy) can be a critical success factor.

Human Nature

Most of us are in the non-profit world because we believe our work makes a difference. Those at the top of our organizations have had this belief affirmed by a variety of public sources. In times of transition, this individual can be a “lame duck” or a professor emeritus. In either case, the shift in power, prestige, and influence must be consummated in purely human terms, as well as in the organizational context.

My experience suggests that the response to these issues is specific to the organizations and individuals involved in the transition. At the same time, a consistent decision making framework can be helpful in developing this response.

Following is a first attempt at creating this framework. I welcome your comments, additions and dialog.

Types of leadership transitions

Like their for-profit counterparts, most commonly, non-profits must manage *intergenerational* transitions. By that I mean the passage of executive leadership from one generation to another. Typically, the form is retirement or promotion. In most cases, the parties know in advance that the change is coming, so there is an opportunity to plan for an orderly succession.

To paraphrase the playwright Anton Chekhov, *Every happy transition is alike; every crisis transition is unique*. Crisis transitions triggered by death, illness or other unforeseen contingency tend to be less frequent in most communities.

Sad to say, *involuntary* transitions, such as election loss, firing, coup d'etat, and scandal are too frequent in today's adversarial environment. Frequently triggered by the media, law suits, or other forms of external intervention, or through internal factors such as poor management practices, the damage can be lethal to a non-profit organization.

Increasingly organizations undertake *strategic* transitions as part of a deliberate change process, such as restructuring, partnerships or growth. In addition, some individuals or non-profits may initiate a transfer of leadership to “ventilate” the organization, creating opportunities for advancement for people who historically have been excluded from positions of executive leadership.

Sometimes the board takes the lead in initiating the transition in an effort to find fresh ideas, respond to changes in the environment, or address individual and organizational performance issues. Other times, the individual seeking to make the change will take the lead: he or she would like to move on to new challenges, re-distribute personal and/or professional priorities, or explore new opportunities. Regardless of the reason for the transition, both sides should welcome the opportunity for constructive dialog – a particularly challenging task in the typical non-profit’s operating situation.

Unique Aspects of Leadership Transfers in Non-Profit Organizations

In the private sector, the Chief Executive takes his or her position at the behest of the stockholders or individuals (including families) that own the company. While hiring and firing is voluntary, the competitive Chief typically builds a compensation package to ensure that even if s/he fails, s/he is well compensated for her trouble.

While non-profits typically place executives at the top of the pay scale, the “golden parachute” is likely to be of some less valuable metal as compared to the private sector. Like others in our industry, chief executives are supposed to get their satisfaction from intangibles like service to the community and to others, instead of tangibles like salary and stock options.

In the corporate world, the key operating goal is to increase the asset value of the corporation. In the non-profit sector, the goal is to “exhaust” organizational assets in the advancement of the mission. I use the word “exhaust” advisedly. The iron hand still rules: when advancement of an organization’s mission increases its asset base, funders look askance at the same time as enterprising for-profit entrepreneurs try to take over the market. Just look at what’s happening in health care, education, and child care to see how for-profit competition is transforming

traditional non-profit segments. Organizations who ignore this reality risk competition (and annihilation) from for-profit competitors who operate more efficiently, and compete more effectively for personnel and customers outside of the constraints imposed by federal tax law.

In other words, our operating environment and culture supplements compensation with commitment, investment with initiative, and margin with mission. Because non-profit leaders must make a personal effort to create this kind of leverage, failure and success are personal as well as professional.

When a for-profit leader leaves, the reasons are clear and measurable, and the terms of separation worked out in advance, as a financial formula with a dash of sentiment. When a non-profit leader leaves, the transaction tends to occur in real time, driven by a combination of business and sentimental concerns. Time and again I've watched organizations struggle to honor the personal commitment and contribution of a departing leader while at the same time defining the changes they want to see with his/her successor.

This is a thankless paradox: to survive in today's environment, non-profit organizations need personal commitment and tenacity and they also need orderly succession. The former is *legacy*. The latter is *letting go*. Given the potential harm this particular paradox can create, it's no wonder that many non-profit boards and leaders are trying to take a pro-active look at how best to manage the transition.

Legacy

The dictionary defines *legacy* as *a bequest, property or money given by last will or testament; hence anything handed down from, or as from, a predecessor*.

When any leader leaves any organization, his or her legacy is a mixed bag of accomplishments, good and not so good decisions, and people, lots of people -- friends, enemies, partners, disciples, mentors, rivals – you name it. If this person made a difference, s/he has them all.

If the departure is planned or strategic, there is an opportunity to frame the meaning of their tenure with the organization in a positive light, troubleshooting less attractive aspects of the incumbency. Think of Lou Grant if you want a flash

of the grouchy good guy stereotype. In contrast, in a crisis situation, the risk that one's legacy will be tarnished is extremely high, especially if communications break down in the process of resolution.

Most successful executives are experienced in the art of framing goals, processes and outcomes, as part of their skill in soliciting support and motivating others. However, these same individuals have trouble applying these skills to framing their legacy, as they plan a career transition. Some plead modesty, others fear there will be a gap between their perceptions and the perceptions of others, still others say they are just too busy. The fact is, people need help when it comes to framing a legacy: credibility, detail and accuracy all require feedback from others. Such feedback will also be affirming to the prospective retiree. Trusted volunteers and colleagues can perform a valuable service to a peer by helping him or her answer the question of legacy as part of the preparation for a planned departure.

In a crisis transition, legacy is equally important. However, due to emotions related to the crisis, board and senior staff sometimes lose track of how best to position the individual and the organization after a scandalous or tragic transition. In case of scandal, the mixed bag mentioned above is particularly significant: an individual who is competent enough to be hired to head an organization will find ways to retaliate for a public trashing – and no matter who's right or wrong, the organization's name may be muddied in the process. Regular performance reviews and effective delegation can minimize the legal aspects of crisis transitions. Good business dictates that an organization cultivates multiple contacts with key supporters and vendors, even in the best of times.

Letting Go

If legacy is the heart, *letting go* is the arms and legs of executive transition. Simple logistics – the when, what, where, why and how of transition – can safeguard a carefully constructed legacy for individuals and organizations alike. Letting go involves a number of players: the individual in transition, his or her family, the board, the organization, its funders, and other stakeholders. Each

player brings a slightly different set of expectations to the process. Coordination across these constituencies is key to a successful transition.

Process Framework

There are as many different frameworks for change management, as there are change management gurus. For simplicity's sake, I have used a chronological model first launched, I believe, by an ancient Greek consultant called Aristotle, who said that every good story should have a beginning, middle, and an end. I've loosely updated these terms to:

- Today – the way things are right now, including the history that led us to this place – the beginning
- Transition – the process of change – the middle
- Tomorrow – the way we hope things will be in the future, our goals – the end

These three stages of time are linked by the mission... the timeless reason the organization exists. Organizations in the process of executive transition – planned or otherwise – can use this framework to manage the change process and anticipate challenges and opportunities.

A Framework for Legacy-building

Table 1 outlines factors to be considered on the legacy side of leadership transitions.

	Mission		
Legacy	Today	Transition	Tomorrow
Drivers	Transition Team	Bag holders	Stake holders
Focus	Mythology/Folklore Relationships	Acknowledgements Input	Shared Vision of the future Relationships
Transition Related Tasks	Reflection Individual Goal Setting Transition planning	Contingency planning Communication Rituals of farewell	Recognition Rituals of welcome Implementation

Drivers

The transition team refers to the individuals who are leading the transition (including, in most cases, the individual who is planning to make a change as well as the board chair or other policy level leaders who will continue beyond the change). Stake-holders are those who have a stake in the organization, either as employees, volunteers, customers, partners, or members of the community. Bag holders are those who will be left “holding the bag” if things go awry in the transition – believe me, they know who they are.

Focus

Leaders should regard *Today* as the jumping off point for the entire operation: the most effective transitions are rooted in everyday reality, not some pie in the sky tomorrow.

Begin by analyzing accomplishments and relationships in the context of the mission. Be sure also to pay attention to the stories people tell: many times these legends and tales tell more about a legacy than facts and figures. Placing the departing leader in the context of these traditions positions the transition as one of organizational development rather than loss or shame.

Times of transition are marked by “energy at large.” Uncertainty stimulates anxiety, creativity, and cynicism. To focus on the positive, the leaders who are also “bag holders” should ensure broad opportunities for acknowledgement and input in the planning process. Such participation reduces the level of uncertainty, increases a sense of control and generates great ideas. Finally, the new leadership team must allow all stakeholders a moment to breathe, get acquainted (and re-acquainted) with each other and focus on the new goals.

Tasks

Individuals and organizations alike must address the tasks related to legacy building. Depending on the relationships among the principals involved, this may

take the form of a dialog between the departing leader and his or her successors and board leadership. Most often, the process is less than ideal as human nature and the pressure of time and business reduce opportunities for productive conversations. However, I cannot overstress the importance of frank and candid communication of feedback and goals during the goal setting and planning phase. Otherwise, participants can be at cross purposes during the transition activities, a time which is already fraught with confusion and anxiety.

As the transition is accomplished, it is important to use rituals for saying good bye, celebrations to acknowledge accomplishments of the team as well as the departing leader, and create opportunities for all participants to provide input into plans for the future. Where possible, obtain a departing leader’s endorsement of the shared vision for the future. This sets the stage for his or her participation as a mentor or support resource during the process. At the same time, the new executive will be building his or her own legacy and the last thing s/he wants is interference from the old guard – remember what we said before about human nature.

A Framework for Letting Go

Table 2 outlines the logistical factors to be considered.

	Mission		
Letting Go	Today	Transition	Tomorrow
Drivers	Transition Team	Senior management and Board Excom	New leadership team
Focus	Continuity and alignment		Continuous improvement
Tasks	Organizational Evaluation Strategic Planning Succession	Organize/delegate Accountability Recruit/Select Successor	Orientation Relationship building

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	Planning	Rumor control	
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Drivers

The transition team is the same as in the legacy building process. During the transition phase, once the plan is under way, senior staff can play an important leadership role in maintaining continuity, while board members focus on recruitment and selection of the new leader. During implementation, responsibility shifts to the new leader and his or her staff and board support.

Focus

Maintaining continuity of service and relationships during the early parts of a leadership transition is a key challenge: stretched-thin staff does not have time or energy to double up during ordinary times, much less during times of stress or uncertainty. Transition times require extra effort to answer questions, control rumors, maintain quality, and fulfill expectations. Once the new team is in place, the focus can shift to continuous improvement ... or even a new set of goals. Importantly, though, allow everyone to take a breath before jumping headlong into major new initiatives.

During transitions, it is logistically important to align the individuals' expectations regarding legacy with the organization's overall goals. For example, the retirement of a much beloved founder can be an occasion for celebration ... and cultivation of key donors. On the other hand, the forced departure of a CEO who has failed to achieve specified goals can be an opportunity to reposition the organization strategically for the future. There are enough familiar examples of the repercussions of criminal behavior in the non-profit field to show that even in the worst case, the high road is the right road. Thus an organization like United Way can withstand a major scandal because local relationships are strong enough to sustain leadership and participation. That personal involvement is the heart of the non-profit sector.

Tasks

Today is also the jumping off point for the Letting Go process ... but this particular today should begin once the transition team has provided direction on the basic shape of the legacy. Board leadership sets the tone for strategic planning, and identifies information needs to be explored during the organizational evaluation. At this time, some organizations also find it helpful to bring in outside consultants to evaluate aspects of program or assist in the redefinition of leadership needs.

The *Transition* stage is mainly a process of getting things done on time and as expected. Board, volunteers, staff, and contractors should work together to keep each other informed and coordinated. Regular progress reports through staff meetings are key. Also be sure to “scoop” the media, if there are newsworthy events: nothing frustrates stakeholders more than to learn about good or bad news in the media ... or worse still, be confronted by a customer or funding source ... before they hear it from their leadership.

One of the most important things that happens in the process of *Letting Go* is that time when nothing happens at all. I call this *Breathing Space* because it is that moment when all those involved take a breath, say a prayer, and hope they have done the right thing the right way. Whether you schedule this or not, it happens ... and is inevitably followed by a time of squeamishness and uncertainty as people explore the new landscape.

Once *Tomorrow* has begun in earnest, of course, it becomes *Today* with a new team in place. At this time, it is important to facilitate formal and informal orientations of team members to the organization and to each other. Similarly, board and senior staff should introduce the new leader(s) to key contacts including funders, customers, partners, and community support. Remember, even if there is nothing new to report about the organization, the opportunity to meet a new executive is an event in itself: these contacts are well worth the time and effort, as they cultivate and strengthen existing relationships.

Merrily Merrily

Each individual and organization will find ways to use this framework for decision making about leadership transitions. At the same time, regardless of the content, experience has shown that many organizations can benefit by orchestrating these decisions along the lines of this framework. If you have trouble remembering how the framework fits together, think back to *Row Row Row your Boat*. This framework also works like a round. Sing the first line – that’s today – as you shape the legacy. And then bring in the Letting Go – that “Today:” begins at the same time as your “legacy” process is moving into its Transition. You’ll experience the same challenges to concentration you do when singing this familiar lyric in round form. Hopefully, this mnemonic will not only help you remember the framework, but also can help relieve the tensions inherent in the process I have described.

Framework for Integrating Legacy and Letting Go

Mission					
Legacy	Today	Transition	Tomorrow		
	<i>Row row row your boat Gently down the stream</i>	<i>Merrily merrily merrily merrily</i>	<i>Life is but a dream.</i>		
Drivers	Transition Team	Bag-holders	Stakeholders		
Focus	Mythology/Folklore Relationships	Acknowledgements Input	Shared vision Relationships		
Transition Related Tasks	Reflection Individual goal setting Transition planning	Contingency planning Communication Rituals of farewell	Recognition Rituals of welcome Implementation		
	Letting Go	Today	Transition	A D O O B L O C K	Tomorrow
		<i>Row row row your boat Gently down the stream</i>	<i>Merrily merrily merrily merrily</i>		<i>Life is but a dream.</i>
	Drivers	Transition Team	Senior Management and Board Excom		New Leadership Team
	Focus	Continuity of service			Continuous improvement
	Tasks	Organizational evaluation Strategic planning Succession planning	Organize/delegate Accountability Recruitment/selection Rumor control		Orientation Relationship building Growth

