

# Updating the Leadership Agenda: An Essential Step for Success in Executive Recruitment

by Tim Wolfred

**Editors' note:** This article is adapted from *Managing Executive Transitions: A Guide for Nonprofits* by Tim Wolfred of CompassPoint Nonprofit Services ([www.compasspoint.org](http://www.compasspoint.org)) and published by the Fieldstone Alliance.

**T**ODAY, A SHIFT IN EXECUTIVE LEADERSHIP may be more charged than usual and more often delayed. Some long-serving executives who have neared retirement now say they may have to stay on longer. As a result, nonprofits may have to arrange for executives who extend their tenure while also considering organizational priorities for future leadership. This article outlines how organizations can use periods of transition to craft a leadership agenda that is true to their missions, that can engage existing staff members, and that help recruit the most well-suited incoming executives.

Executives give several reasons for extending their tenure—and sometimes more than one:

- “I’ve got to see my agency through this financial crisis and restructuring.” A variation on this statement is, “I’m the one who can bring in that stimulus money, and I’ve got to stay until that funding is nailed down.”
- “Because of the decline in the stock market, my retirement savings have shrunk dramatically. I’ve got to save more before I’m comfortable leaving this job.” A variation on this statement

is, “This executive job is extremely stressful, I know I need to get out of it, but I can’t until I know which jobs I could take. And I’m not clear on these options yet.”

It’s all reasonable on the surface. But while delaying executive departure has the potential of benefiting a nonprofit, it can also do harm.

Once a leader declares interest in leaving an organization, a nonprofit board must consider the prospect of an executive’s waning energy or a growing mismatch between an executive’s capacity and the skills needed in the job. The declaration heightens a board’s responsibility to pay attention not only to supporting an executive but also to preventing him from staying too long and risking organizational stagnation and decline. As the literature on executive transitions indicates, a nonprofit board’s responsibility is to help a leader devise a plan that works best for an organization and that is fair and respectful of a leader’s contributions.

Here are some suggestions for boards that face delayed executive departures:

**1. Strategies for executive fatigue and burnout.** If a board agrees that an

executive should stay beyond a previously planned departure date, it should monitor the executive’s stamina for leading and managing and look for burnout. If exhaustion is an issue, the board can take the following measures:

- help an executive restructure his job, perhaps by instituting a four-day workweek or by encouraging the delegation of some tasks to others; and
- encouraging an executive to work with an executive coach.

## **2. Strategies for skills mismatch.**

If a mismatch in skills is apparent or if a board believes that an executive should leave on schedule, it should ensure that an executive is treated as fairly as possible by offering a retirement package, by providing job coaching, or by moving him to another position or onto retainer to consult with his successor. While often frowned upon, these last two options are legitimate if structured to support the work of the agency and the incoming executive.

In the end, however, when a leadership turnover has been scheduled, the same principles for managing executive transitions apply in turbulent times as in “normal” ones. And for some agencies, the future is sufficiently uncertain that characteristics such as agility, persuasive power, and strategic thinking should be considered even more desirable

Figure 1: Creating the Leadership Agenda and Candidate Profile

## Step 1: Gather Data

## Sources of input:

- Staff
- Board
- Current executive
- Funders
- Peer organizations
- Other

## Step 2: Analyze Data

## Analyze findings from these perspectives:

- Organization strengths and achievements
- Administrative and program systems capacity needs
- Unmet client needs
- Industry scan
  - Emerging program innovations
  - Revenue trends

## Step 3: Define Leadership Agenda

Define the *vision* for the organization: its aspirations for improved client and community impact over the next three to five years

Set strategic directions (as informed by the organizational vision)

Specify board development changes needed to achieve strategic directions

Specify programmatic and administrative changes needed to achieve strategic directions

## Schedule the changes to be addressed as one of the following:

*Priority upgrades during phase two of the executive leadership transition*  
or

Upgrades the new executive will take on as priorities during phase three of the executive leadership transition

## Step 4: Establish Performance Priorities

Based on the results of Step 3, establish performance priorities for the new executive  
(Presented to the newly hired executive in Step 3)

## Step 5: Create Candidate Profile

Identify the following profile requirements needed in the new executive

- Skills
- Experience
- Attributes

characteristics for an interim executive—if you use one—and for a more permanent executive hire.

## Starting with a Leadership Agenda

Turbulent times can pose more of a moving target than do periods of calm; but to hire the right person as your next staff leader, you have to be clear about your organization's strategic vision, goals, and the internal capabilities that must be built to enable these goals. Without an understanding of where you're going and what you need to get there, you have a pilot with no flight plan.

When many external variables are in flux, your planning may take shape as a set of broad goals and conditional strategies. New leadership at a midsize arts institution in decline, for example, may face more conditional factors than would an executive at a federally qualified health center (where the level and kinds of finance streams and partners may support longer-term planning). Still, however planning is accomplished, an organization's vision and capacity-building goals are referred to as a *leadership agenda*.

Crafting a leadership agenda need not take a lot of time. At CompassPoint's Executive Transitions program, for example, when a board and staff are well organized into a committee to take on the effort, creating a leadership agenda can be done within a month's time. At maximum, developing a leadership agenda should take no longer than two months.

## Gathering Data

In creating a leadership agenda, gathering and analyzing data (steps 1 and 2 are similar to the first stages of a strategic planning process (see Figure 1). A nonprofit gathers information from key stakeholders regarding client needs, program adjustments recommended to

meet those needs, and revenue sources to support the work.

Five segments of an organization's stakeholders should be tapped: a nonprofit's board, the departing executive, staff, funders, and peer agencies. Some committees may also want to check on client satisfaction with services and for ideas on new services. Some organizations may have other important audiences, such as a volunteer corps, that are essential to nonprofit operations.

To gather this information, questions for stakeholders should focus on acknowledging an agency's achievements and strengths, how current services could be improved, identification of critical unmet client needs, organizational constraints to improving performance and expanding services, and potential sources of support for program upgrades.

**Funder input.** Funding officers in the foundations, corporations, and government agencies that support your work will likely have the broadest view of the particular fields of service in which you operate. The foundation that funds a youth development organization, for instance, will likely know about innovations in the youth development arena and how shifting revenue streams might threaten financial viability or provide opportunities for program expansion. Your nonprofit's managers and fundraising staff will have contact information for primary funders. Committee members can spread the calls to these funders among them. One member should gather all the interview results into a report.

**Staff input.** Among internal stakeholders, the incumbent executive will have the strongest viewpoint on future service opportunities and on needed internal capacity building. An organization should also tap staff members for their views. Organizations often use a staff survey to gain staff perspectives on future goals,

CompassPoint's Sample Staff Survey
A. What do you perceive as three of the departing executive's greatest achievements during his tenure as executive director?
B. What elements of his leadership style as executive director do you most appreciate and would like to see carried forward by his successor?
C. What are your top three on-the-job achievements over the past 12 months? <i>(Future planning involves assessing capabilities throughout the organization, so we're interested in individual staff members' views on their own recent successes.)</i>
D. What three changes at the agency would most help you to be more effective in your specific job? <i>(Your responses are important to identifying agency improvements that would help us be more effective in serving our clients.)</i>
E. What three changes at the agency would help it be more effective in pursuing its mission?
F. What three skills or capabilities do you bring to your job that contribute to our agency in meeting its goals?
G. What are the top three skills that the next executive director will need to be successful?
H. Additional comments:

internal capacity needs, and the leadership profile of an incoming executive. To promote candor, survey responses are anonymous. CompassPoint's transition consultants routinely use the sample staff survey template on page 89.

The survey attempts to balance staff input on what's right with an organization and with the current executive with input on what needs to change. All organizations have room for improvement in how they deliver programs. In the nonprofit world, where funding for administrative systems such as human resources management and technology support is hard to come by, requests and complaints about infrastructure tend to dominate staff responses.

This creates a conundrum. You want the process to respond to these issues without unnecessarily overcorrecting a weakness, sully the previous executive's name, or undercutting management in general. So it may be wise to hire a consultant to conduct interviews and manage a response to "problems" that emerge. Some organizations try to hire the "opposites" of previous managers to

change a more systemic problem. This tendency is well worth avoiding.

## Crafting the Agenda

After gathering information from multiple perspectives, the committee should meet to analyze the data and arrive at the following:

- a vision for what the agency should look like in three to five years;
- a set of strategic directions that flow from that vision;
- the needed improvements to program and administrative systems to pursue strategic directions;
- board development needs; and
- the resulting first-year performance priorities for the next executive.

Mission Youth Services' sample leadership agenda appears on page 90.

## A Candidate Profile

With the leadership agenda in hand, the transition and search committee can craft a candidate profile. This profile expresses the must-have skills, experience, and attributes of an incoming executive to successfully pursue the strategic

## Mission Youth Services' Leadership Agenda

### Vision

Mission Youth Services will expand on its highly regarded academic support programs and will have a successful youth empowerment program that trains neighborhood adolescents in methods for solving community problems.

### Strategic Directions

- Expand the current two-site after-school tutoring program into additional school-based sites.
- Expand the youth-organizing program from its current small corps of teenagers addressing one community issue to one with a larger enrollment of teenagers organized to advocate for solutions to a broader array of neighborhood problems.
- Increase Mission Youth Services' board of directors' community representation to better represent the demographic diversity of the Mission neighborhood.
- Increase program revenues from private-donor sources.

### Immediate Capacity Upgrades

- Arrange for an orientation of entire Mission Youth Services staff and board to the concepts underpinning a youth empowerment program and to program examples from other youth development agencies.
- Compile into the agency's current database all the existing information held by the executive director and board members on donors to Mission Youth Services over the past five years.
- Research potential sources of foundation grants for the proposed Mission Youth Services youth empowerment program.
- Document the agency's procedures for recruiting, orienting, deploying, and retaining volunteer tutors who serve in Mission Youth Services' after-school tutoring program.

### Capacity Upgrades by the Incoming Executive Director

- Identify and install a fundraising software product for tracking private donors; transfer existing donor information to the new system.

- Support the board's executive committee in creating a plan to increase the demographic diversity of the board.
- Consider remodeling the agency's current administrative workspace or move offices to create a more productive work environment.
- Build the grant-writing skills of the current development associate to reduce the grant-writing demands on the executive position.

### Board Development Needs

- Create a board recruitment plan with goals to increase representation from the neighborhoods served by the programs of Mission Youth Services, to expand the demographic diversity of the board, and to bring on fundraising expertise.
- Create mechanisms to support the participation on the board of lower-income parents of program youth; for example, the provision of child-care resources while parents do board work.
- Make board meetings more productive and rewarding for members; consider coaching on how to run productive meetings.

### First-Year Performance Priorities for Incoming Executive

- Open a Mission Youth Services after-school tutoring program in two additional public schools.
- Convert the "youth-organizing program" into a "youth empowerment department" at Mission Youth Services that has at least 25 youth enrolled who begin to address two local community needs.
- Acquire grants from at least two new foundations to support the youth empowerment department.
- Increase the number of private individual donors to Mission Youth Services by 50 percent.
- Increase the visibility of Mission Youth Services' programs with the government officials representing the neighborhoods of Mission Youth Services.

directions and capacity-building priorities in the leadership agenda.

Beyond its utility in focusing the recruitment activities, the profile, with skills sorted between required and preferred, eases the committee's work of selecting candidates during the screening process. Without up-front agreement on the priority skills, the committee will struggle to choose among strong candidates with disparate profiles.

The candidate profile for Mission Youth Services provides an example generated from its leadership agenda (see box above).

### The Payoff of Leadership Planning

Expending the time and effort to arrive at a cogent leadership agenda can be daunting, but the payoff is huge. When you spend the time thinking about what your organization can and should do

to most effectively serve its community, your efforts build excitement and engagement for a mission-driven staff and board. It sharpens your picture of what you need in your next staff leader. And it draws talented candidates who gravitate to and are inspired by the strategic vision and goals you have set for your organization.

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## Mission Youth Services' Candidate Profile

### Attributes

- Demonstrated commitment to our core youth development mission: to build the academic skills of young people and to give them skills for improving the quality of life in their community.
- A deep understanding of the challenges of low-income, urban communities.
- An aptitude for bringing together diverse people and ideas to create collaborative projects.
- A visionary entrepreneur who has taken nonprofit agencies into new arenas.
- A charismatic person with energy and vitality who can motivate staff members to achieve their personal best.

### Required Skills and Experience

- Five years of experience in a senior management position in a community-based nonprofit agency, including budget development and financial management.
- Three years of experience in youth development work or inner-city community organizing.
- Significant experience working collaboratively

with persons of diverse racial and ethnic backgrounds, socioeconomic status, age, and sexual orientation.

- A record of successful fundraising from public and private sources to support nonprofit agencies.
- Excellent written and oral communication skills.
- A bachelor's degree.

### Desired Skills and Experience

- A history of leading organizational growth, facilitating higher levels of mission achievement. Skills include strategic planning and management of complex internal operations and external relations.
- Experience in community organizing with youth and young adults.
- Experience and familiarity with the needs and institutions of the Mission District that Mission Youth Services serves or nonprofit work experience in a similar inner-city environment.
- Experience with the government and funders of Mission Youth Services.
- Fluency in Spanish and/or in relevant Asian languages.