

Preparing an Organization to Sustain Capable Leadership

by Karen Gaskins Jones

EFFECTIVE ORGANIZATIONAL leaders are likely to possess deep knowledge of issues in and around the organization. For instance, they will know the full range of players in their environments as well as the dynamics between them, and their tenure, influence, and reliability as partners. They are likely to know what long-term funding sources are thinking about doing in their program area and, for that matter, what those contributors like to eat at lunchtime and by whom they might be influenced. All of this knowledge is colored by their personal perceptions; and it is all grist for the mill in the stakeholder balancing act that is part and parcel of the job of a nonprofit leader. This is part of the reason executive departures can be so disruptive: if the executive is the sole holder of the organizational reins (or if too much is invested in that one position), it can cause the organization to stagger.

Of course, there are alternatives to leaving our organizations vulnerable to lurching from one leader to another. We could fill the organization with leaders (with and without positional power) who are effective, knowledgeable, and aligned around the organization's mission and strategy. What are the stakes—the risks—involved with not doing so?

Try this exercise in projection. What do you think happens next?

- The executive director has been exhausted by the demands of her job. She had planned to stay five years but leaves after two, saying she wants to spend more time with her family. At a meeting of the United Way's review committee, her departure comes up as an issue that argues against the agency's already tenuous position (the United Way is cutting its affiliate agency roster). A local foundation officer sits on this committee and wonders what this means for the agency. Should she delay the review of their grant?

- A small organization attracts young and enthusiastic staff people but there is little room to exercise their intelligence because the executive likes to hold decisions closely. Suggestions for changes in the way they do business are met with a glazed look, and there is a good deal of turnover. The leader, although not the founder, is well known as a passionate advocate—the board defers to him. He becomes seriously ill and is ordered by his doctor to leave.

- An executive director leaves unexpectedly, and a board member who has been involved with the organization for some time takes on the role of interim executive director. Once he is in the position, it becomes clear that the new ED cares for the organization and its mission but lacks some vital skills.

When some of the board members become aware that the health of the organization is eroding, they begin to panic. Others defend the interim, lauding him for his self-sacrifice.

When such things happen in nonprofits, it usually means that attention to leadership development (and its impact on sustainability) has been inadequately addressed. The often unseen and unintended consequences may include a host of missed opportunities and organizational missteps. Hence, when the pool of capable organizational leaders is not continually nurtured, the organization may stagnate in the short term and become vulnerable in the long term.

Leadership Change Means a Change in Perception & Practice

The mental model that predominates nonprofit succession planning might be likened to the transition of one head of state to another. Nonprofits can end up with a new cabinet (middle management and board), a new fiscal policy, and even an entirely new program as a result. No wonder the simple act of replacing one person is so charged. Consider further whether this is a legitimate approach in an organization that is supposed to be the expression of collective values and intent.

One philosophically different approach to single-leader succession

planning involves the continuous cultivation of leaders among staff, board members, and volunteers in order to have a cadre of people prepared to fill different leadership roles.

An investment in leadership development entails inviting and building talent at every level and sharing expertise, contacts, and decision-making authority. In this way you create a depth of institutional will, knowledge, and memory that can survive the transition of one individual, however remarkable. Not only will this benefit your single organization, but the broader cultivation of diverse and talented leaders will enhance the nonprofit sector's influence and effectiveness within communities served and within our society.

The Leader Development & Succession Landscape

If your nonprofit organization clings to a one-leader model, it risks enormous disequilibrium in the loss of the nuanced understanding of and influence on the environment that was referenced earlier in this article. Suddenly you could experience a cascade of events: funders falter waiting to see how the new executive works out; productive partnerships are neglected and lost; cash flow tenuously managed hits the skids.

How do you avoid these setbacks? Below are three strategies that can provide equilibrium during leadership changes and, in general, grow the leadership capacity of the organization over time.

Risk Management

If a leader is lost on a fairly abrupt basis, the immediate questions within the organization are often:

- Who knows how to do that function?
- Who understands what the immediate organization/program needs are—and how to meet those needs and commitments?
- If someone else on staff takes on these additional responsibilities, what

other parts of the organization may suffer?

The proposed risk management strategy for dealing with the unplanned absence of a leader is to create an emergency succession plan. This is a plan that can be implemented when there is the temporary absence of a person in a key position on staff or on the board. For example, if there is only one person who deals with a program or fiscal responsibility, what would happen to the organization if that person were unexpectedly unable to perform that function for one month? For three to six months?

An emergency succession plan is the minimum level of investment in a *leader development approach* to protecting your organization and cultivating talent. With the discussion of how to cover key positions (e.g., executive director, program director, comptroller, other important administrative positions), issues of cross-training, development, and growth opportunities become a part of performance management conversations and of the strategic goals for the organization.

To ensure the organization can operate effectively during times of unplanned change, plan for the change to occur. Build a strategy to ensure that there is some redundancy in the organization and that people with the right knowledge and skills are ready to assume responsibility if key leaders leave unexpectedly.

A Strategic Approach to Leader Development

Once this minimal risk prevention step has been taken, the next level of investment is to think about the longer-term cultivation of the staff and board. This cultivation can be keyed to strategic and business plans. Even if such plans do not exist, the organization generally will have some method to determine its focus, goals, and its strategies for accomplishing those goals. Make sure that you have taken this trajectory into account when

you think about leader development:

- What kind of competencies will staff need in the near and far future?
- What talents and capacities are there among staff and board members that might be further built for the good of the organization?

Then consider again the function of teams and cross-training to create redundancies of skill, knowledge, and relationships.

With clear intention to cultivate a pool of board and staff leaders with diverse talents and experience, the organization becomes more deliberate in creating opportunities to educate, train, or expand the awareness of individuals for different aspects of the work. It becomes a cultural norm to expect curiosity, engagement, and excellence from every leader in the organization. What can aid in this?

- Policies and practices designed to link people's work directly to the organization's mission and vision, and to increase their ability to fulfill increasing levels of responsibility to sustain the organization.
- Excellent information flow that provides open access to information about the organization's position in the community and with funders, its financial realities, and its benchmarks, as well as its strategic questions.
- Opportunities for people to exercise their leadership in ways that are challenging.
- Individual and collective behavioral norms to foster mutual respect, as well as recognition of their talents and experiences.

• Behaviors and practices to reinforce mutual accountability for the outcomes of their work together.

• A willingness to experiment and learn together—to seek better ways of delivering services and products—and heighten their effectiveness in working together.

Leader development is woven into the infrastructure of the organization's systems, policies, and day-to-day prac-

tices. Having a budget allocation and other resources earmarked for leader development is another indicator of being intentional about the development of leaders as a core value and practice in the organization. However, the lack of a discretionary budget for outside training should not be considered an insurmountable barrier to development.

To garner broad support for and understanding about the need for a “leader-full” organization, talk it up with internal and external stakeholders. This will help educate stakeholders and motivate their investment in this new direction.

Managing Leadership Transition from a Position of Strength

Even when an organization makes the previous two levels of commitment, and the departure of a leader is planned, there is still some risk of losing equilibrium during a leadership transition. The board, departing

leader, and staff must think carefully about what knowledge, skills, and relationships may still be held by the leader alone and plan to transfer those capacities to other members of existing staff if at all possible. If the new leader comes from outside the organization, she will need time to understand the complex realities of the internal life of the organization and its external influences. The new leader (whether from the outside or promoted from within) will need to depend on a deep and broad array of aligned leadership while her feet are getting wet; this will allow her to get and stay ahead of the curve.

The Bottom Line

It is important for organizations to prepare for leadership transitions well before they occur. Regardless of the size, age, or type of organization, leader development and succession planning should be linked. Being intentional in

the creation of specific leadership goals and strategies to cultivate the talent within an organization often happens in incremental ways that can be transformative over time. Being intentional in the development of an organization’s leadership supports its sustainability and, not coincidentally, the collective intelligence it brings to its work.

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