



ROOTED IN VALUES.  
DRIVEN BY EXCELLENCE.

---

---

## **Organizational Dynamics of Leadership Transitions**

By: Jane Mack, MS – ODL



### Introduction

Leadership transitions in nonprofit organizations, no matter how well intentioned and meticulously planned, result in organizational churn. Boards, staff, clients served, and both the incoming and outgoing leaders are impacted. Certain behavior patterns are fairly predictable. When viewed from an organizational systems perspective they can be observed and, if needed, addressed in a straightforward and productive manner. If these same dynamics are seen as personal by those directly or indirectly impacted, it can result in a disruptive and destructive atmosphere, and prolong the stress of leadership change.

The purpose of this article is to illuminate those predictable patterns which are part of the natural process of leadership change once a new leader is in place, and provide suggestions to boards and other organizational leaders for recognizing and addressing them.

### Fresh Eyes Mean a New View

While it may be tempting to hire someone who is just like, or the opposite of, the departing leader, best practices lead boards to develop a profile based on the needs of the organization in the present and future as well as a shared understanding of what needs to be



ROOTED IN VALUES.  
DRIVEN BY EXCELLENCE.

---

---

preserved. The arrival of a new leader automatically brings a fresh set of eyes viewing the organization from inside and out. As he/she assesses the operations and plans, it may shine a light on areas that were not matters of focus or particular strengths of the previous leader. This does not mean there is a problem, or that things were being done incorrectly; it may just be viewing the same system through a new set of lenses. If seen as a personal dynamic instead of a predictable result of new leadership, the board, staff, clients, and even the previous leader may interpret this as an indication or accusation that things were being done “wrong” or poorly under previous leadership. Board members may feel that by bringing the issue or practice to their attention, the new leader is implying that the board was “asleep at the wheel.” Again, this may not be the case. When seen as a natural outcome of leadership transition, the board can address the situation in their governance role which is a far more productive perspective.

#### Preferences of the Leader are Reflected in the Organization

Organizational programs and systems may be a reflection of the departing leader’s interests, personality, and idiosyncrasies. A new CEO may choose an alternate departmental and management structure and see a different array of programs as a way to achieve results. The mission and vision have not changed, but the new leader’s experiences and perspectives bring a different framework for achieving organizational success. Assuming the board and leader are working with jointly developed goals, boards should be prepared for this possibility and support the executive in shaping the organization in a way that reflects his/her own style. As different structures and programs are put in place, it is particularly important to emphasize what is not changing, such as mission, vision, values, etc.

#### Departure of a Long Term Leader

When it comes to leadership in an organization, success can breed complacency. In *Founder Transitions: Creating Good Endings and New Beginnings*, [li](#) Tom Adams describes how a board may become overly reliant on a successful, long-term leader for setting the vision, culture, and direction of the organization. The arrival of a new CEO may bring differing



ROOTED IN VALUES.  
DRIVEN BY EXCELLENCE.

---

---

expectations as to who is responsible for what. If the leader is waiting for the board to articulate strategic direction and priorities, or draft board meeting agendas, and the board is accustomed to receiving these from the CEO, an atmosphere of anxiety and unmet needs may develop. Executive transitions are critical times for boards to examine their own function and practices, and develop mutually understood expectations with the new leader.

### Transition Support from the Board

The first year of a transition requires different communication and evaluation tools. In the Executive Transition Model (ETM) cited in the Executive Transitions Monograph Series<sup>[ii]</sup>, the post-hire launch and support phase includes the board and new leader jointly developing a leadership agenda that summarizes agreed upon priorities for the first 12-18 months. The use of a leadership transition committee to meet every 3 months with the new CEO to check-in, monitor progress on the leadership agenda, provide support, advice, and perspective can be very beneficial. These can be different board members than those who served on the search committee to avoid fatigue, although some overlap may be logical. The purpose of the committee is not to serve as a leash on the new leader, but to provide the perspective of experience and familiarity with the organization's history and culture as the CEO settles into their role and begins to implement change. Too often boards appoint a transition committee that meets with the new leader a time or two in the first 60 – 90 days and then their activity drops off. These meetings should be viewed as sacred commitments, and continue through the first year until the first formal performance review is conducted. The committee should report to the full board on a regular basis for transparency and to provide the full board the opportunity to discuss their thoughts and feelings about the transition.

### Letting Go

It is tempting for some impacted by a leadership transition to look back and long for the “good old days” with the previous leader. Alternately, others may celebrate the departure. Boards should be prepared for both reactions. The tendency to compare how the new CEO



ROOTED IN VALUES.  
DRIVEN BY EXCELLENCE.

---

---

is doing things to previous methods is natural and to be expected. The board, staff, and clients were familiar with how things had been done and are now faced not only with the loss of the previous leader, but with the probability of adjusting to a new style, systems, and expectations. A successful transition to a new leader ultimately requires letting go. It is important to make time to celebrate the previous leader, and it will take time to develop a comfort level with the new CEO, but dwelling on the desire for a return to the past is unhealthy for the organization. It consumes energy and prolongs accepting and adapting to a new normal. Executive transitions are a natural time to acknowledge the story of the organization thus far, and mark the beginning of the next chapter.

#### Clues For a Need to Reset

If boards, or individual board members, find themselves spending too much time focused on the past, or making comparisons between past and present leaders on a frequent basis, these may be clues that they are feeling unsettled with new leadership. Take a step back and review the leadership agenda or strategic plan to be sure there is clarity around strategic priorities, organizational values, and communication between the CEO and board, and among the board.

A number of clues are manifested in communication patterns. When board members find themselves having conversations that are not focused on developing helpful feedback for the CEO, or conversations that are more critical in nature and not something that would be discussed by the full board, these can be signals of unrest. Assumptions-treated-as-facts can get started quickly and can develop a life of their own. Conversations based on hearsay are predictable and on the rise during executive transitions. Once they are part of the narrative of the system, reeling them back in and clarifying can be time consuming and quite challenging. Anticipate the need to be alert to assumptions versus facts, catch them early, and check them out quickly. Intervening in this way builds trust.

Feelings about the new leader that hover at one extreme or the other of the positive-negative continuum may be a signal that the board needs to have an executive session



ROOTED IN VALUES.  
DRIVEN BY EXCELLENCE.

---

---

discussion to be sure they have a complete picture of how the transition is going. Some board members may be seeing the world through rose colored glasses while others view nothing but storm clouds. Making sure that the full board has opportunities to discuss the state of the organization and adjustment to new leadership is critical. If these discussions arise in small groups and all perspectives are not considered by the board as a whole, factions may develop within the governing body which can result in an entirely different set of problems.

A board and CEO must establish trust. This precious commodity is the backbone of an effective relationship. Sometimes boards go too far to the extremes by either placing blind trust in a new leader or having no trust until it is proven to be appropriate. Either end of this polarity can result in trust being eroded between the board and a new leader. Another clue of a potential problem is if board members find themselves consulting with the previous CEO. This may be an indication of lack of trust in the new leader and can be a fast path to undermining a developing relationship.

### Conclusion

The hiring of a new CEO/Executive Director signals the “end of the beginning.” Board members have a critical stewardship role in managing the transition in of the new leader. Anticipating and seeing some of the predictable systemic patterns can help them take up this role with greater confidence.

---

[i] Founder Transitions: Creating Good Endings and New Beginnings; Tom Adams; TransitionGuides

[ii] The Executive Transitions Monograph Series, funded by the Annie E. Casey Foundation and the Evelyn and Walter Haas, Jr. Fund. This series is a joint effort of TransitionGuides and CompassPoint Nonprofit Services.



ROOTED IN VALUES.  
DRIVEN BY EXCELLENCE.

---

---

Thanks to the following people for sharing their expertise and perspective about the topic: Nancy Aronson of Nancy Aronson Consulting, Pat Sanaghan of The Sanaghan Group, and Nancie Zane of Praxis Consulting Group.

**Jane Mack is the President/CEO of Friends Services Alliance, a nonprofit member organization of aging services provider organizations. She has a Master of Science in Organizational Development and Leadership and has done extensive consulting with nonprofit boards.**