



Spring 2015

## "I'm Outta Here!" – What To Do When the Executive Director is Leaving

The departure of the chief executive (Executive Director or CEO) of a nonprofit organization usually results in mild to extreme anxiety on the part of board and staff alike. While the specific circumstances of the departure (e.g. resigning, retirement, illness or other emergencies) can impact the process, there is always stress associated with an executive transition.

For many board members, the thought of going through a search process is daunting. They know that choosing the chief executive is one of the most important decisions they will ever make, and will strongly influence the future of the organization. Questions abound: *“How much time will it take? Who will do this? How will we make the right choice?”* Today’s board members usually work full-time, so the biggest question often becomes, *“Who will be able to lead this transition process?”*

For staff members, the transition from one chief executive to another poses other questions and the most common is, “How will this affect me?” Staff members know that, regardless of their specific job, the chief executive has the potential to impact that job. It is not unknown for a new chief executive to reorganize the structure of the organization, for instance, changing job descriptions, reporting structure, or eliminating positions. As a result, the chief executive transition becomes very personal for staff members.

Change is never easy, but it can be positive in that it provides both a **challenge** and an **opportunity**. The challenge is to make the transition as smooth as possible, with little disruption of the programs and services provided by the organization. The opportunity is to utilize the transition to evaluate the organization, set a clear direction, and choose new leadership that will move the organization forward with vigor and enthusiasm.

*Key actions that the Board of Directors may take as soon as they know an executive transition is imminent:*

- Inform key stakeholders, especially funders and other supporters
- Acknowledge and address the emotional impact of this transition, particularly on the staff
- Determine the need for interim executive management
- Assess the ability of the board to manage the transition process without outside assistance

*Three basic guidelines for a successful process:*

- All board members will be involved.
- All staff will be involved.
- Take the time needed to do this right – don't rush it!

*Major Steps in a Transition Process:*

- Assemble the Transition Committee
- Hire an Interim Executive Director
- Say an appropriate goodbye to the departing executive
- Identify and address major issues impacting the Transition process
- Gather stakeholder input (surveys, group or individual interviews)
- Gather staff and Board input (surveys, group or individual interviews)
- Develop a profile for the next chief executive
- Review and revise the job description
- Develop a job announcement
- Distribute the job announcement
- Evaluate applications
- Conduct first and second interviews
- Provide opportunities for staff and board to meet finalists
- Conduct reference checks and background checks
- Presentation of chosen candidate to Board
- Make hiring offer and finalize all aspects of the hiring process
- Introduce new chief executive to stakeholders

Post-Hire: Provide support to the new chief executive to help him/her orient to the organization and get “grounded” in the position

### *To Hire or Not to Hire a Consultant:*

If there is a board member who has the applicable skills and experience, and can devote significant time (average of 125 hours over a 4-6 month period) to managing all the aspects of the transition process, a Board of Directors may decide to do this “on their own.”

If that is not the case, hiring an experienced Executive Transition Management consultant can dramatically increase the likelihood of this process going smoothly, and decrease the stress and strain on the organization as a whole.

A general “ballpark” cost to handle all phases of the search process is about \$17,000. Organizations that do not have the financial capacity for this expense can sometimes get financial assistance from long-time funders who have a strong interest in the success of the transition, because they want to protect their investment.

### *Most Important Rule:*

As the English poster from World War II states, Keep Calm and Carry On!

*If your organization is anticipating an executive transition, please contact me for a complimentary one-hour consultation – christinesoto@comcast.net*

## ***Christine Soto Consulting***

***Smart Solutions for Nonprofits and Foundations***

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