



ON BOARD

A resource for not-for-profit board members

TOP TEN Mistakes boards and funders make when it comes to nonprofit leadership transition

1. **Underestimate transition time and rush the hiring process.** “It’ll take 90 days, max!”
2. **Treat cash reserves as a luxury.** The desire to “fund the mission first” sometimes leads boards to neglect cash reserves, and funders to give lower priority to applicants who have or are trying to build strong cash reserves.
3. **Pull back from supporting an organization because it’s in transition.** Some funders decline to cut checks to organizations without permanent leadership, either out of explicit policy or a desire to wait and see how the organization weathers the transition. This can destabilize even a strong organization and create a self-fulfilling prophecy. Instead of withholding support, consider providing an extra one-time grant of \$10,000 to \$15,000 to support transition.
4. **Ignore signs of burnout from the CEO.** If a CEO is asking for help, or a sabbatical – that should get your attention.
5. **Be too timid about making a change.** If a CEO can’t do the job or urgently needs to go, the board needs to act.
6. **Be too heavy-handed about making a change.** Just because it’s time for new leadership doesn’t mean the outgoing CEO needs to be fired immediately and escorted straight to the elevator. If the CEO has been in place a long time or is burned out, maybe they’re *also* thinking it’s time for new blood, and will work with the board on a planned, healthy transition.
7. **Assume the second-in-command will take the job.** Even if the organization has an excellent second-in-command, they may or may not be the right person for the job when transition happens. Many second-in-commands don’t *want* to be CEOs.
8. **Forget to communicate with the staff.** During transitions, the board holds immense influence over the future professional life of the employees. Staff need to connect with the board enough to feel confidence in the process, and a sense of shared commitment to the future.

9. **Ignore the importance of qualified interim leadership.** Absentee, volunteer board members can rarely be effective as an interim CEO.

10. **Underestimate the particular complexity of a founder transition.** The identity of the founder and the organization can be intertwined in the minds of the board, staff, funders and community. It can be hard to discern what skills and personality are needed to lead the organization after the founder. Founders by nature have start-up skills and the ability to inspire others, but may not focus on administrative systems.

About the Author

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