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UNDERSTANDING THE ROLE OF AN INTERIM EXECUTIVE DIRECTOR

By: Elaine MacDonald / July 19, 2021

Organizations are in a state of deep transition these days, including that of leadership. Particularly challenging is finding a new Executive Director/CEO in the midst of all the priorities boards and their organizations need to address. This interview highlights a key tool organizations can use during a period of leadership transition—hiring an interim executive director (IED). Below are excerpts from an interview between Elaine MacDonald, former Executive Director of HBS Community Partners-Northern California, with **Suzanne Tan, Senior Consultant at Raffa-Marcum** and Cindy Myers, Principal at Myers Executive Group, on the value of taking this intermediary step.

Elaine: Can you first share more about what an IED does?

Suzanne: The time between leaders is such a valuable and almost sacred time for an organization, and an opportunity to be informed and intentional moving forward. There's so much potential and opportunity for insight, to make needed internal changes, and to develop clarity as the organization moves into its next phase of leadership. The IED skillfully shepherds this time, listening and learning from the staff and board, reflecting back the issues, challenges and opportunities from an objective, impartial standpoint, developing a transition plan that engages and develops consensus in a shared vision moving forward, and often managing the recruitment, search, and onboarding process for a new Executive Director (ED).

Cindy: Here's how I look at it: an IED parachutes into an organization with the overarching goal of having that organization succeed with its next ED. An effective IED is able to quickly assess what the organization needs to do/not do in order for that to happen, and then leads that change effort. The neutrality of the IED is very important, that's why we say we will not be candidates for the permanent position. From a position of complete neutrality, you will find board and staff members more likely to tell you the truth about what they are experiencing, give you the benefit

of the doubt, and be able to hear you less defensively when you tell them what you are observing and think they should do. An effective IED needs to have crackerjack nonprofit administration know-how, plus the analytical tools and skills to assess the organization's needs and capacities, and the empathy and emotional intelligence to support a group of people who are going through a big change.

Elaine: Can you go deeper on why should a nonprofit choose to hire an IED?

Suzanne: An IED provides the organization with an opportunity to take a deep breath, and not rush headlong into hiring a new leader before understanding, addressing, and correcting the organization's current issues and challenges. A leadership transition is often stressful and confusing for everyone involved and the IED holds space and provides objective insight that allows for the healing, acceptance, and ability to optimistically embrace the organization's path forward. The IED in their unbiased temporary role can also help rebuild trust on many levels, between the Board and Staff, with a key funder, and/or with the community. A recent engagement in which this played a significant role was at an organization that was co-housed in a County's regional social services office. The County was also this organization's largest funder and the relationship was strained from years of poor communication and unresponsiveness. As the IED, I could come in and establish myself in as a thoughtful mediating and healing presence, listening carefully to their side of the equation and providing them with regular updates and assurances that their needs would be met. I made sure that they were introduced to Board members, many of whom they had never met, and included them in a variety of strategic meetings and communication, eventually winning back their trust and ensuring the organization would be able to retain their large contract for services.

Cindy: An IED is a good strategic move when following a founder or following a long-term, successful or beloved Executive. In my experience, the organizations transitioning from a long-term, successful Executive have a number of idiosyncrasies that formed around the strengths and preferences of that person. These often become a barrier or a stumbling block to a new executive coming in from the outside. I had one assignment where the Board deliberately planned for an IED to be in place for one year before hiring a new executive. That time enabled me to help stakeholders inside and out let go of the beloved former executive and make some critical changes to its business practices so that a new executive could come in and quickly see some success.

Elaine: I have seen organizations assign the next senior staff member to be the IED during a search process, someone who knows the organization well and can "keep the ship afloat" without a learning curve. Why couldn't this work?

Suzanne: Adding the ED's responsibilities to an existing position will ensure that neither job is done well, expectations to transition to the ED's role will be raised, may impact the number of ED candidates that would apply for the position, and creates added confusion and subjectivity within the organization during what is often a sensitive and stressful time.

Cindy: While it might work out, the greater likelihood is that the person who steps into the ED role will experience unanticipated distress from the dynamics around moving up from one position, then moving back down again.

Elaine: Is there a scenario when a nonprofit should NOT hire an IED?

Suzanne: If there is a very strong internal candidate that has been groomed to take on the role of ED and the ED and Board have developed a transition plan that may often include a time of overlap with the previous ED taking on a mentoring role, this could be a scenario in which an IED is not necessary.

Elaine: How should an organization go about finding an IED? Selecting an IED? What's the ideal process/criteria to find a good fit?

Suzanne: There are a number of resources to find qualified interim leaders, one of which is the long-running Bay Area network <https://bayareainterims.com/>. In addition, executive search consultants, foundations that specialize in capacity building, social media and LinkedIn, and your own networks of other Board members are also often good resources to locate interim leadership professionals. The fit can often be intuitive and driven by personality considerations, working-style, and professional approach, but don't place too much importance on your interim having content knowledge of your organization's particular field of work—interims offer a more generalist mindset and are practiced and trained to transfer their expertise to a variety of nonprofit settings.

Elaine: Why did you both decide to become an IED professionally?

Suzanne: After two decades of working in a variety of arts organizations including two executive director appointments, I felt the desire to broaden the scope of my nonprofit management experience. I realized I really liked the change management phase in my roles, in particular addressing strategic planning, organizational culture, and board and audience development. It is probably why I had so many different positions over 20 years! Once I realized that, interim leadership made so much sense.

Cindy: I left fulltime employment as a nonprofit CEO at a terrible time. The opportunity to take a training for interim executive directors presented itself, so I took it. In my very first assignments, I learned I was much more effective as an interim than I had been as the permanent executive. Interim leadership was a field where I could bring ALL of myself and my skills to the table: nonprofit general management and administration, plus organization analysis, intervention, and facilitation. Now interim executive work is all I do.

Elaine: Finally, any myths you would like to debunk about IEDs?

Suzanne: We are never interested in taking on the full-time position of ED and it is part of our code of ethics to serve only in the capacity of a transitional leader through to the identification and hire of a new ED, ideally as part of the organization's larger plan to ensure leadership continuity. The role lasts six to twelve months long.

Cindy: Whereas organizations usually hire permanent executives based, in part, on their vision for the organization, the interim leader is not there to leave her/his imprimatur on the organization. The IED is there to support a transition; their primary vision is that a new executive will be found and will succeed.

Elaine MacDonald was the former Executive Director of HBS Community Partners of Northern California, where she oversaw a consulting organization for nonprofits that places 200+ Harvard Business School alumni volunteers on 40+ nonprofit project teams, who in turn deliver over \$2.5 million in value annually. She has provided consulting and facilitating services to a diverse set of nonprofits facing scaling, marketing, and business management issues.

Elaine earned her BA at Harvard University and her MBA at Harvard Business School.

Cindy L. Myers is an organizational analyst, planner, developer, and interventionist who consults to the government, non-profit and business sectors on issues ranging from strategic planning to organizational turnaround. She has 25+ years of executive leadership experience in the behavioral health and human services fields. Dr. Myers holds a Ph.D. in Human and Organizational Systems, a M.A. in Organization Development, and a M.A. in Counseling Psychology.

Suzanne Tan is a leadership transition consultant and has served in several Interim Executive Director and Transition Consulting assignments in the San Francisco Bay Area, following a long career in arts management and museum direction. She was recently appointed Sr. Consultant, Executive Leadership and Transition Management, for Raffa-Marcum, a national consulting firm and industry leader based in Washington DC.

Suzanne is a member of the Bay Area Interim Executive Directors network and also serves as the Co-Chair of the Executive Transition Leadership Continuity affinity group of the Alliance for Nonprofit Management.