

Utilizing an Interim Executive Director

Congratulations! You have made a decision to engage the services of an Interim Executive Director (Interim ED) during your organization's leadership transition. Transitions are powerful opportunities to strengthen non-profit organizations. Properly managed and supported with expert executive transition services, they can serve as "pivotal moments" enabling organizations to change direction, maintain momentum, build or rebuild its infrastructure, and clarify its mission and vision. Poorly managed executive transitions incur high costs to organizations and communities. I have prepared this document as a guideline to what you can expect during the tenure of the Interim ED.

The Evelyn and Walter Haas, Jr. Fund and the Annie E. Casey Foundation have made substantial investments in developing the field of practice associated with executive transition management. In particular their research has identified the use of Interim Executive Directors as a powerful capacity-building strategy for organizations who want to not only survive a leadership transition, but also want to grow and thrive.

My goal as an Interim ED is to be as clear and supportive as possible with the Board of Directors and senior staff in order to identify the responsibilities they would like the Interim ED to carry out and to insure these happen in a comprehensive and strategic manner that aligns the Board, staff, and programs.

The primary function of the Interim ED is to manage the day to day operations of the organization and support the Board of Directors in carrying out the business of the agency. Since the interim role and tenure is more limited than the Executive Director, not all responsibilities can be carried out with equal attention, but each is equally important. Decisions about priorities are established early with the Board of Directors and staff. Duties can encompass:

- Financial management
- Fundraising
- Board functions
- Staffing structure
- Program operations
- Culture and communications
- Strategic plan/business plan
- Major events and organization calendar
- New executive director search and onboarding (assist the Board if needed)
- Specific goals and workplan for transition period

Transition Checklist for First Two-Four Weeks of the Interim ED Tenure

The first two-three weeks is a critical time for clarification and communication with the Board, management team, and staff in order to insure alignment with the Interim ED roles and responsibilities. Primary tasks include:

1. Meet with the agency transition committee (Board chair and/or executive committee) to gain their perspective on the current status of the organization and to orient them on how best to utilize an Interim ED. Develop a workplan with performance goals that includes expectations for regular and frequent communication.

Sub areas for discussion:

- Timing and reason for ED departure
 - Agency dynamics (staff culture and morale, board functioning)
 - Strength of management team
 - Financial health of agency
 - Fundraising status: on target? Expectations for year?
 - Major events during Interim ED tenure: gala, proposals, reports, audit?
 - Specific capacity building needs the Interim ED will be expected to address: financial systems, community relations, staff issues, programs, contracts, etc.
2. If possible, interview the departing Executive Director to determine agency status from his/her perspective.
 3. Meet with management team, particularly with the finance director and development director to gain perspective on accomplishments and areas for review. Visit program sites and observe programs in action.
 4. Review key financial documents: audit, budget, financial statements with YTD actual vs. budget, balance sheet, and cash flow projections.

Transition Checklist for Next 4-8 weeks of Interim ED Tenure as well as ongoing (some tasks occur earlier or later, depending on the situation)

1. Review staff performance goals and determine status and staff expectations.
2. Determine programmatic needs.
3. Develop a work schedule and open door policy.
4. Acknowledge and monitor loss/grief and change concerns. Help staff with transition.
5. Review all contract and grant deliverables. Contact funders if negotiation needed.
6. Contact stakeholders and meet in person as requested.
7. Continue to work with staff and Board to envision the future and how they want things to be different (or similar) under new leadership.
8. Review Interim ED workplan and performance goals to insure continued relevancy throughout the placement.

Ongoing Communication You Can Expect from Your IED

Communication is the name of the game during a transition. It is important to clarify the type of communications expected from your IED. Here are some samples of written and in-person communications I provide:

- IED workplan including performance goals and immediate and ongoing recommendations for interim period.
- Monthly brief reports to the Board of Directors, more if requested.
- Weekly check-in with Board chair; monthly Board meeting; other committee meetings
- Weekly check-in with senior management team
- IED final report and closing recommendations.

Important Underlying Principles of Organizational Transitions (Adapted from the work of William Bridges)

When there is a shift in executive leadership, organizations experience many new and often unexpected challenges. Transition research has shown that awareness and understanding of the transition process can benefit all staff and Board members in maintaining a positive outlook about these changes. It can also better prepare the organization for its next phase of leadership. In addition, a new Executive Director entering an organization will have an easier time adjusting if the organization has done this preparation and has high levels of optimism about the future of the agency.

Some important concepts about transitions:

- ✓ Change is the objective event: loss of Executive Director; new Executive is hired.
- ✓ Transition is the psychological process of reorientation as a result of the change(s).
- ✓ Transitions must be well managed or change becomes unmanageable.
- ✓ Transitions include three overlapping phases consisting of:
 - **An Ending Phase** – gaining closure on the executive's departure;
 - **A Middle Phase** or the **Neutral Zone** - a time of organizational vulnerability, and importantly, of heightened opportunity; and
 - **A New Beginning Phase** – includes the new executive's welcome and onboarding, and significant organizational changes and new ways of doing business.

As an Interim ED, I maintain awareness of these principles throughout my placement. I watch for behaviors and actions that might be the result of anxiety often associated with change and I work with staff to alleviate and normalize concerns. I also embrace the positive aspects of change, focusing on staff and organizational strengths and preparing for the new Executive Director.