Overcoming Founder’s Syndrome on the Road to Success

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Picture this: An organization's founder has been in place for decades. They are well-respected for their years of hard work and are credited with driving the organization's long-term success. They've been in the position for so long, in fact, that people outside the organization can't imagine it existing without them. So when they announce their imminent retirement, the board and staff are paralyzed by the notion of bringing in someone new.

The mere thought of a major leadership transition can indeed be frightening, and unless a successor is obvious, beginning the process of finding a replacement for a long-tenured executive can feel overwhelming. Indeed, in many cases, the initial reaction is to look for the same type of leader as the person who is leaving.

As millions of boomers near retirement age, this scenario is playing out in organizations nationwide. According to TSNE MissionWorks, 68 percent of executive directors and 66 percent of board chairs are over the age 50 and, in many cases, are beginning to think about retirement. In other words, thousands, if not tens of thousands, of nonprofits are facing the prospect of losing their long-serving founders, CEOs, presidents, and executive directors.

When an organization is faced with replacing a long-time leader who has been in place since its founding or has been at the helm of the organization for so long that board and staff members cannot remember his or her predecessor, identifying a new leader can seem like a hopeless task. That task is even more complicated when the founding ED or long-serving executive is having a difficult time imagining the organization carrying on successfully without her. Often, this confluence of circumstances results in the phenomenon known as “founder's syndrome,” a situation in which an organization’s funding, capacity, and overall well-being seem to be largely dependent on her efforts, causing stakeholders to be uneasy about the prospect of her leaving or, in the worst-case situation, a founder resistant to turning over the reins to a successor. In many such cases, people cannot imagine how the organization will find its next leader because their image of the current leader is fixed.

For these and other reasons, a successful search for a new leader hinges on board members first recognizing that founder’s syndrome is a factor in the planned transition. Indeed, if the transition to a new leader is planned carefully and strategically, it’s possible to reframe founder's syndrome as an opportunity for the board to honor the founding leader’s legacy while simultaneously positioning the next leader for success.

To ensure that the transition to a new leader is successful, the organization’s board and leadership team should pay attention to the following:

**Be clear about your expectations.** What are your goals and priorities for the next leader? Do you expect her to boost fundraising, help the organization close a deficit, create a better operational model, increase the diversity of staff, strengthen the endowment? What parts of your organization’s identity do you want to retain and which parts need to evolve? What are your leadership needs and what should leadership for the organization over the next five to ten years look like?
Avoid ‘Founder 2.0’. When an organization’s mission is so tied to a founder’s vision, it can be difficult to imagine someone different in that role. In many cases, board and executive team members who have worked closely with the founder often want to replace him or her with exactly same type of leader. The fact is, however, that organizations need different kinds of leaders at different moments in their evolution. The leadership qualities that may have been critical at the earlier stages of an organization’s development may not be as necessary or even appropriate a decade or more down the road. Just as children outgrow their favorite clothes and toys and seek new and different stimuli as they mature, organizations also evolve in terms of what they need from a leader. A “start-up” situation encourages people to wear multiple hats and be entrepreneurial. At a later point in an organization’s evolution, more formal systems and roles often are required in order to make sure everyone is on the same page and pulling in the same direction. Organizations naturally tend to move from a “crawling and toddling” stage, to an “awkward adolescence,” to a more mature stage of growth and development. Organizations therefore ought to assess the stage they’re currently in, their future goals and where they hope to be in five or ten years, and the kind of leader that is most likely to get them there. Remember: Change is your friend and can be a valuable driver in ensuring that an organization continues to be successful.

Fix up the house. Longtime homeowners are familiar with the joys of deferred maintenance. If you’ve owned a house for a while, you’re probably surrounded by things that are broken or not working as well as they used to, but you’ve put up with them because you’re too busy—or it’s too expensive—to fix them. But small inconveniences and annoyances add up over time, and at a certain point you realize that things have slipped a bit too much and it’s time to address those longstanding issues. The same holds true for a long-time leader. When a leader has been in place for a long time, he has likely settled into certain routines and grown comfortable with systems and processes that generally work well but could use some updating. If the founder is a naturally creative type, for instance, he may have overlooked some of the finer details of revenue recognition and financial planning. Or he might be wonderful at engaging external stakeholders but less adept at hiring and managing a senior management team. In such cases, a transition to a new leader should be viewed as an opportunity to repair what may be broken.

Embrace a fresh vision. Even when the board and staff are pleased with the job the founder-leader has done, there almost always are things that can be built off his or her legacy. It’s important to recognize that longtime leaders and the organizations they lead can become less adaptable to change—and more susceptible to inertia—over time, which in turn can prevent them from evolving and realizing their full potential. Transitioning to someone who brings fresh ideas, energy, and perspective to the work can help an organization and the people who make it go see themselves in a new way.

Talk to the team. In any leadership transition, it’s important to have honest conversations with the board, senior management, and staff at all levels about what’s working and what needs to be fixed. With a new leader at the helm, what might the organization look like in five years? And what can the board, senior management, and staff do to ensure that the new leader, and the organization, succeeds?

Encourage a graceful exit. As a general rule, founders shouldn’t have an active role in the organization (or on its board) immediately after they’ve stepped down. More often than not, the continued involvement of a founder creates awkwardness and makes it difficult for a successor to operate. In addition, most qualified candidates for the job will not to want hear that, should they get the job, they’ll be managing a founder-leader -- a prospect that can deter even the most determined applicant. Last but not least, it can be confusing and unsettling for staff to have a founder hanging around as a new leader is trying to establish herself. Whom should they go to turn to for direction and advice — the person who has led the organization for years or the new person? At best, it can create a divided sense of loyalty among staff, while at worst...

Expect things to get emotional. Understand that the board and staff may have harbored tremendous affection for the person who is leaving and could have a visceral reaction to his or her departure. It’s human nature to want stability and resist change, and any transition involving a beloved and long-serving leader can be difficult to process emotionally. In addition, many employees, fearing the unknown, will feel anxious that the new leader will want to build a new team and/or make significant changes.
Use an outside consultant. Unless an organization already has a successor in mind, the board and staff may not know how to manage a transition from a founder or long-serving leader to someone new—or even where to begin the search process for a successor. An outside recruiter from an executive search firm can be an invaluable addition to the search team and bring a fresh (and objective) perspective to the table. As part of her job, the consultant will conduct due diligence, talking to the board, key staff members, and other stakeholders and constituents to determine what type of leadership is needed and appropriate in terms of the organization's next chapter. In some instances, having an interim leader in place while a search is under way can give the search team time and distance to orient itself to the needs and requirements of the future.

Honor the founder's legacy. It's very important that the organization, led by the board, acknowledges and celebrates the founder's legacy and accomplishments in a meaningful, memorable way. Allowing time and space for her to take a final "victory lap," a series of events over the course of several months or even up to a year, will put a well-deserved spotlight on the departing leader and help her ease into a new role as an eminence grise rather than the top executive.

When a founder steps down, you shouldn't worry about how his or her shoes will be filled. Instead, focus your efforts on identifying and recruiting a talented new leader to replace the departing founder and then do everything you can to help him or her lead the organization forward to an even brighter and more successful future.

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