

THE LEADERSHIP IN LEAVING

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"I cannot imagine doing anything else as I love what I do, BUT at some point the organization will be better served by a younger Executive Director. It is difficult for me ... how does an older woman find another job? And to further complicate things, the people (staff and board) do not want me to leave"

The U.S. social sector is poised for an internal revolution as members of the baby boomer generation prepare to enter the next stages of their lives. This nonprofit cohort began their careers as part of the social change and movement-building culture of the 1960s and 70s and remain dedicated to making a better world. Now, they are poised to pioneer a new chapter of work and life, but they face the challenge of establishing pathways out of their jobs, while staying financially viable and remaining socially relevant. Defining this new period in life not only affects baby boomers ; it also has implications for younger nonprofit professionals who will one day follow in their footsteps.

This report is the second in a series that examines different aspects of this transformational moment.¹ It focuses on the nonprofit leader's decision to leave a long-term executive position. More specifically, the report highlights and explores leaving as an act of leadership that is often overlooked or neglected.

Estimates suggest that up to 75% of U.S nonprofit leaders are planning to leave their positions in the next five to ten years.² With more than 1 million nonprofits and philanthropic institutions, the implications of the expected turnover are enormous. By even a modest estimate, a half-million executives may exit their positions over the next 15 years. Many of them will not only leave long-term jobs, but also the organizations they founded.

For decades, American workers have assumed that by 65 they would enjoy the "golden years" stage of retirement. The findings from our first report, *The New Lifecycle of Work: Long-Term Nonprofit Leaders Prepare for Their Future*, reveal a different reality.³ Results from a survey of more than 300 nonprofit leaders age 55 and older show that many are interested in pursuing new opportunities for meaningful work that offer more flexibility and less responsibility.

These leaders – like their peers in other sectors – will enter an extended adulthood, a distinct period in life where work extends into their 70s and beyond. This trend will affect baby boomers and future generational cohorts, but it also is deeply personal: Executives may choose to stay in their current positions long past traditional retirement age; search for new, less demanding ways to be involved in social impact work; or, exit the nonprofit sector entirely.

This report is about making the decision to leave a long-term leadership position by identifying the signs and planning the exit process. It emphasizes the importance of recognizing leaving as a leadership function.

THE LEADERSHIP IN LEAVING

Ending a long-term position can be one of the hardest leadership challenges an executive faces.⁴ Doing so requires reflection at the intersection of the personal and organizational, assessing what is best for the organization and right for a leader's own future. All leaders have to balance personal desires and fears about such a transition while preparing the organization for a future without them. How and when a leader exits reverberates throughout the organization, often reaching deep into the community and the field.

For the past two years, we have surveyed current and former nonprofit leaders, conducted in-depth interviews, and held focus groups around the country to understand the exit process, especially for those 55 years and older.⁵ By complementing existing knowledge about how to prepare a nonprofit organization for the departure of its leader, our work focuses on what is needed to make the transition.⁶

As we listened to participants it became clear that their training and development did not address the *Leadership in Leaving*. While executives direct and guide all aspects of their organizations, talking about the meaning and mechanics of parting ways is often taboo. To entertain an exit strategy can set off leaders' concerns about their future and that of the organization. Boards fear asking aging leaders about their plans to leave because they do not want to indicate a lack of support, and they may also fear losing someone on whom they depend. Rarely do executive director evaluations – when they actually take place – include discussions about the leader's plans for preparing the organization for a future with new leadership.

As a result, there is little guidance or structure for dealing with an exit. No wonder a leader is often at a loss when it is time to make the decision to leave. Those thinking about moving into their encore stage of work deserve the supports necessary to make good leadership decisions as they plan their departure.

Our research revealed four important elements to consider in executing this transition: Leaving can always be challenging, but it is different for long-term leaders who are both changing jobs and figuring out their next phase of work and life.

- **Leaving can always be challenging, but it is different for long-term leaders** who are both changing jobs and figuring out their next phase of work and life.
- **Exiting is a critical leadership function** as it requires careful planning on behalf of the organization.
- **Assessing personal and organizational readiness** is key to a successful transition.
- **Acting on the signs** that indicate it is time to leave requires a leader to assess both her future and the needs of the organization.

We address each of these elements below.

LONG-TERM LEADERS: WHAT IS DIFFERENT ABOUT THIS TRANSITION?

We were struck by how many thoughtful, experienced, and innovative leaders are stymied by the prospect of leaving. It quickly became apparent that this transition felt different from other career changes. Most participants we interviewed faced the end of a major phase in their working life. One woman explained that she was still motivated by her longtime mission to help others, but was now aware of “a shorter runway ahead.”

These realizations become more frequent as people age. There are pervasive cultural, social, and economic signals about growing older: the meaning attached to milestones like turning 60, 65, 70; reaching eligibility for Social Security and Medicare; and numerous media reports on the impact aging baby boomers will have on society. We are frequently reminded of the startling statistic that 10,000 people turn 65 every day in the U.S.⁷ It is no surprise that nonprofit leaders are thinking about what is next as birthdays come and go.

Figure 1 | US: EVERYDAY, 10,000 PEOPLE WILL TURN 65



The demands of the job – the time devoted to work, the heavy responsibility of caring and feeding the organization, and continually having to up the ante – weighed on the long-serving leaders we interviewed. Stressors that were once motivating now felt more debilitating, even though these professionals had the skills and experience to handle almost any challenge. Leaders told us they still felt vibrant, yet they had dreams and desires beyond the job.

They looked to role models like parents or mentors for guidance on when to embark on a new phase of life, but the answer was not always clear. One respondent shared that, “my father taught me to be aware that when problems come around for the third time it is time to go and make a change because you’ve lost some of your creativity in the situation.” Some of those older role models were happy with their post-work lives while others felt adrift. There were those who energetically worked well into the 80s, and others who lost the ability to enjoy “retirement” as a result of illness or financial stress.

Many of those we interviewed told us they wondered what it would be like to have more time to pursue different interests, especially while they still have the energy and health to enjoy something new. Most had no trouble talking about their vision of the future, even though that next stage was largely undefined. They wanted to continue meaningful social purpose work but in a different way. They no longer saw themselves climbing a career ladder. Some wanted to stay in their position as long as they felt they could continue to make a significant contribution. But one expressed the worry that others hinted at: He feared that he would stay too long and no one would let him know that he no longer really had the capacity to do the job.

Managing the transition is challenging enough, and resources that help organizations go through a leadership change – such as executive transition management materials – are invaluable.⁸ Still, the decision to leave rests for the most part with the long-term leader, and knowing when and how to make such a determination can create a leadership tension that is often overlooked.

THE LEADERSHIP CHALLENGE

The leaders we interviewed revealed the considerable tensions at play when making and carrying out the decision to depart. At the center, the leader experiences both personal and organizational pushes and pulls.

Figure 2 | THE PUSH-PULL DYNAMICS: PERSONAL AND ORGANIZATIONAL



These push-pull forces make the decision to leave especially difficult. Leaders have to assess their organization's future needs, including the type of successor needed, and whether the organization is prepared for the change. There are hard questions to answer: What opportunities will a new leader offer? Is the current leader still able to provide the right skills or perspectives? At the same time, a leader contemplating an exit must grapple with personal questions, including what to do next and how leaving will change his or her identity. This process is not conducted in a vacuum; leaders often consult with the board of directors, senior-level staff, trusted colleagues, friends and family. Ultimately, though, they must manage the push/pull between the organizational and the personal as they decide when it is best to leave.

In the ideal scenario, a leader is ready to leave and the organization is well prepared for that departure. In reality, it is rare that the leader's and organization's readiness are fully aligned. The head of a large national nonprofit told us it would have been better for the organization if she could have stayed two more years, but the challenges of the job and her desire to

spend more time with her husband led to her departure. Another chose to leave in order to care for an aging parent. In some cases, executives might leave before they are completely ready because they believe the organization needs someone new to set the future direction.

The difficulty of alignment is explained by the leader who told us, “I knew I wanted to leave for a long time but I stayed because I had a lot of trouble thinking about what to do next. I was done before I actually began planning to leave.”

These complex dynamics make it difficult to leave like a leader. Yet *it is a key leadership function* for executives to continually assess their interest, energy and motivation for staying. (See *Am I Still the Most Effective Leader Needed for this Organization?*) They also need to monitor whether the organization is ready to make the transition. Some leaders have long-term plans that they develop with the board of directors; others are fearful that even raising the issue might destabilize the organization.

This is further complicated by personal desires. As one participant aptly described the dilemma, “This feels like my own child... how can I let go? Yet I do think about and imagine other opportunities.” Leaders may always have one more thing to accomplish or find it challenging to separate their life from their love of the organization. One exiting founder talked about how the organization’s mission and values were inseparable from her own. Given all of these variables, it is essential that leaders receive the help they need in making and executing this decision.

IS IT TIME? HOW TO KNOW

One major leadership challenge in leaving is figuring out when to go; timing can be crucial if the leader wants to be in charge of the process. An interviewee who had headed more than one nonprofit legal services organization loved the work but, after many years, was ready to leave his leadership role. As he put it, “I wasn’t tired of working; I was tired of this job.”

AM I STILL THE MOST EFFECTIVE LEADER NEEDED FOR THIS ORGANIZATION?

- In what way will the organization be changing in the next five years? What skills will it take to lead those changes? Do I have them?
- Are there new things I suspect the organization should be doing that I don’t have the energy or interest to take on?
- What level of excitement do I feel most mornings on my way to the office?
- Am I eager to learn and improve my skills?
- Do I effectively build the leadership skills of my direct reports? What new duties are they taking on?

Adapted from *Building Leaderful Organizations: Succession Planning for Nonprofits* by Tim Wolfred

Thinking ahead, he had been grooming an internal successor. “I had a strong deputy director and I had been talking with her for years about whether she wanted to take over.” The deputy had an opportunity to lead when our interviewee temporarily stepped out of his position due to illness. It then became clear to him that it was time to leave: “I was concerned about the deputy – she wasn’t going to stay and wait forever.” A year later, he talked with his successor about volunteering and was able to return to doing the direct service work that originally drew him to the field.

Long-term leaders, especially founders, can find it hard to separate their life from their commitment toward the organization, making it even more difficult to read the signs. Exhaustion, fear, and responsibility can also cloud the process. Below we outline the different signals and issues respondents identified as indicators that it was time to go. We divide them into the reasons to leave and ideas and desires for the future.

“I wasn’t tired of working; I was tired of this job.”

REASONS TO LEAVE

Long-term leaders reported several factors that motivated them to start planning an exit:

- **Had Enough:** Some leaders said they knew it was time to depart when they no longer experienced the high level of interest, energy, enthusiasm, and/or vision for the organization as they had earlier in their career. Even when they were doing a fine job and continued to be seen as a dynamic leader, they realized much of their work was on automatic pilot. Some felt burnt out and dreaded another big organizational push. Some intuitively felt that they were no longer making their best contribution.
- **Burden of Sustainability:** Nonprofit organizations need an enormous amount of care and feeding. Raising funds year after year can take its toll and was often cited by participants as an area they were eager to relinquish. Even leaders who enjoyed the challenge of acquiring new revenue talked about being tired of the responsibility. Funding is only one part of sustainability. Showing and maintaining the organization’s impact is also difficult. Seasoned leaders were often weary of human resource management and working with the board. After a decade of successful leadership at a public foundation, one executive told us she knew it was time to leave when the organization began planning its next big multi-year fundraising drive. She simply did not want to commit to another long-term campaign.
- **Making Room:** The participants we interviewed often mentioned their interest in creating space for new leadership. As we saw in the example at the beginning of this section, there are leaders who want to make room for strong candidates who have been nurtured as successors. Our data shows that many leaders recognized how hard it is for younger professionals to reach their full potential while a long-term executive is in place. Creating opportunities for a new generation can be a powerful motive to move on, especially for a leader who already has plans to step down in the next few years.

- **New Challenges:** Challenging times can be an opportunity to assess exiting the organization. In this rapidly changing environment, leaders often worried about the future of their organizations. Some groups need to re-think how they conduct programs, others are considering new alliances and mergers, and a few may decide to close. Long-term executives also said that other considerations, like conflicts with the board of directors or a call for a new direction, played into their decision to consider leaving.
- **All is Well:** Some leaders wanted to leave at a high point. We talked with several who felt at the top of their game and satisfied with their job, and yet still decided to leave. They preferred to make an exit while the organization was strong and healthy. These exits can coincide with a major milestone, such as a significant organizational landmark or the end of a major campaign.

LETTING GO

A founder of a statewide arts council had a strong internal team and an active board. The organization was at the height of its power and success. Though she loved her job, leaving was on her mind.

“I was 65 ½ and my husband was living in another state where we now reside and I was commuting during the week, and emotionally I was just tired and I was at a peak. They had just created an award in my name, the organization was in good financial shape, and I thought, ‘this is the time to go.’”

LOOKING FORWARD

Making the choice to leave is also influenced by what lies ahead. Many leaders feel a strong pull to pursue their interests and desires, or to address personal/family needs. Participants raised several common themes about the future.

- **New Opportunities:** A number of people we interviewed left their positions because of a new opportunity. For one, a fellowship helped her see that she was ready for something new. Others had job offers or were enticed by startups. One leader talked about planning his exit so he could become a more visible advocate. In contrast to their younger peers, most leaders are not looking to move up the career ladder. They want to express their passion to make a difference in ways that might not have been possible in their long-term leadership position.
- **Life Planning:** More leaders than expected had a good idea of what they wanted to pursue next, and they often planned several years in advance. One longtime CEO of an immigration service organization knew that she was going to move to the mountains at age 65. She did this after more than three decades leading an organization she loved. Another leader we interviewed spent 20 years in the armed forces before founding and heading a nonprofit for youth. He arranged to leave 20 years after starting the organization in order to devote more time to his grandchildren.

“I felt there were a huge number of things I didn’t accomplish, but then I realized that if I hadn’t done those things in the past 20 years, I was never going to do it.”

- **Seeing Others Leave:** Watching longtime colleagues exit their positions can be another motivation to leave. While new and younger leaders can be exciting and energizing, the loss of a cohort often signals to a leader that he or she is ready for something new. The head of a large multi-service agency talked about the importance of exploring his future in a support group that he attended for years with other leaders from similar organizations. He gained a valuable perspective as a result, learning from the departures of others who remain in the group.
- **Desire for Personal Time:** Unsurprisingly, leaders are often motivated by the desire simply to have time. Some wanted the freedom to be with a spouse/partner, grandchildren or friends. The head of a larger national organization yearned for time with her husband; both of their jobs kept them on the road and apart. Some hoped to travel, move, read, write, or complete long postponed home or personal projects. Simply lifting the burden of caring for and feeding the organization offered the possibility to think about the future.
- **Personal Reasons/Crises:** Not everyone is able to depart with a focus on their own future. Attending to aging parents, or addressing personal health issues or those of a spouse/partner, is a significant consideration. In the best-case scenario there is time to plan, but health crises can mean an accelerated exit. A leader of a settlement house was ready to retire from her position after several decades in the organization, but caring for her aging mother was a key reason for the timing.

All of the factors we have listed – both organizational and personal – persuade long-term leaders to leave, though there is no single way to be fully confident in when to make that decision. Like most strategic decisions, it is ultimately a choice to move forward.

Committing to an exit – setting a date and telling a select number of people, usually on the board of directors – can be scary and relieving. A clear and definitive decision, however, provides the opportunity for leaders and their organizations to plan for the future – together.

PREPARING FOR THE DEPARTURE: WHAT TO CONSIDER

Deciding to leave is not a linear process, and it is important to balance both personal needs and those of the organization. In this section, we discuss some aspects of personal and organizational readiness frequently mentioned in interviews and focus groups.

An interviewee, for example, recalled attending a workshop on executive transitions. He was struck by how often people talked about cleaning their “dirty closet.” As he put it, “I felt there were a huge number of things that I didn’t accomplish, but then I realized that if I hadn’t done those things in the past 20 years, I was never going to do it.” When he left his position, he wrote his successor a memo called *The Dirty Closet*.

One interesting thing to note: Leaders reported their worries about the future – both for themselves and the organization – were much higher before their departure than after.⁹

GETTING READY: PERSONAL

Leaders live and breathe their organizations. Our findings suggest that it is particularly difficult for them to take time to plan their own future separately from the organization. This approach can be like exercising an unused muscle. Preparation has an impact on how everyone will fare during and after the exit process. People we interviewed were especially concerned about financial security, future identity, support systems, and planning.

- **Financial Ability:** In this time of economic uncertainty many leaders worry about their financial future. Retirement funds are subject to volatility – particularly in the wake of the latest financial crisis – and that can raise fears about supporting oneself through a longer than anticipated lifespan. In our interviews we found that whether a leader has an annual salary of \$45,000 or \$400,000, he can feel financially vulnerable. Financial concerns are compounded when leaders unexpectedly need to support family members, such as a spouse/partner who can no longer work, grown children returning home in search of employment, grandchildren without resources, and/or sick parents that need care.

Although 77 percent of participants we surveyed worried about their financial future, just half (51 percent) had or were planning to use a financial planner who can help a client analyze different scenarios, taking into account lifestyle, potential employability, and so on. A good grasp of personal finance is also important for leaders who plan on negotiating an exit package upon leaving.

- **Identity Matters:** Even leaders who were eager to work less and with more flexibility reported that it was hard to imagine leaving a job that has been the focus of their life – and often an expression of their deepest values – for so many years. For some, especially founders, the anxiety stemmed from finding an identity separate from the organization. Others

TAKING THE NEXT STEP: YOUR STYLE

There are many different personality tests that offer guidance. We offer a few types of people from our data pool, recognizing that these traits can also change over time.

PLANNER – I know when and how I will leave, and what I will do next

INSTINCTIVE – I will know when it is time to go and the next thing will come to me

IMPROVISER – I can be flexible about when I leave and how; I am sure I can figure out what's next

AGONIZER – I think it may be time but I am never sure; I have ideas but it's hard to know what I should do next

ADAPTOR – I am ready to leave, but if the board wants more time I can make that work. I have plans, but they are flexible

worried about carving out a new role within the organization. The fear of losing a sense of identity was not limited to founders. Long-term leaders often expressed a concern about relinquishing their visibility, place, and power. One participant asked, “How can I be a leader when I am no longer an executive director?”

- **Support Systems:** This can be a lonely process, and we often heard from those who had exited how important it is to build a support system during and after the transition. These leaders relied on assistance from coaches and therapists, friends and family, and support groups and spiritual centers. One of our interviewees who heads a local arts organization referred to her church as an anchor organization that will keep her grounded when she decides to leave. In another case, a founder talked about her women’s group that continued to meet over two decades; its members served as a sounding board, advisors, and a supportive community. A well-known leader in her field expressed gratitude for her “kitchen cabinet,” which helped plan how and when to leave her organization. Family and close friends are often crucial in helping leaders strategize and prepare for the future.
- **Make a Plan:** It may seem impossible with a leader’s many responsibilities, but planning the next step is key to a successful exit. Leaders who already left their positions advocated time and again for at least a short-term plan immediately after the departure. Many still in their jobs said they were simply looking forward to a rest – “to do nothing.” We found, however, that completely unstructured time can be difficult. One interviewee who had not made a short-term plan described his departure as, “very different than vacation, when the job is there in the back of your mind. There is no ‘there’ there now and it is a strange experience for sure. It feels unsettling to wake up when there is nothing particular you do that day.” Short-term plans ranged from an extended trip to a retainer with the organization. Some cultivated new opportunities, such as consulting, fellowships, teaching, or a move. A few had a long-term detailed plan, but most began with one or two components to aid the transition.

GETTING READY: ORGANIZATIONAL

The leaders we surveyed were convinced that their organization would have trouble with the transition and worried that the organization would not find a good successor (77 percent) or remain financially sustainable after they left (74 percent). In the past decade, executive transition management consultants have helped organizations prepare for and go through this process.¹⁰ Below we highlight three organizational issues leaders in our sample considered or wished they had successfully addressed while planning their exit.

- **Board Strength:** Leaders often have ambivalent relationships with their board of directors. We know that a good board is key to a leader’s job satisfaction.¹¹ A strong board can help set the overall direction of the organization, approve policy changes, provide fiscal oversight, help with financial stability (including fundraising), and advise on important decisions. Leaders also want boards that are helpful to the organization without interfering with daily tasks. Executives in positions for a decade or more often have boards that rely heavily on their leadership, unintentionally

weakening their ability to take an oversight role. Boards of founding leaders have never recruited or hired the executive leader. It was not unusual in our survey to find long-term leaders, especially founders, with boards that rarely (if ever) conducted an evaluation of the director. As these leaders planned their departure, the boards were not prepared to guide the organization through the process. We heard stories of boards that put the organization in jeopardy as they tried to assert power. Other boards were overly dependent on the current leader to find a successor, and some were too weak to oversee and support the new leader.

Several seasoned executives wished they had built a good, strong board and complementary infrastructure ranging from a board member's "job description" to board committees. Those who had positive board relations, and particularly a good chair, talked about the importance of that partnership. At a minimum, instituting formal evaluations and conversations with the board about the future, especially in a seasoned leader's final years, can be an excellent way to prepare the board for its role in selecting the next leader. Diversifying the board by adding members from different communities and generations can also enhance its ability to pick a promising successor. One leader said this preparation led to hiring a person of color to succeed her; she realized the importance of the board reflecting the community's changing demographics.

ISSUE OF RACE

It is often hard to talk about race and social sector leadership. But over a ten year period, CompassPoint's Daring to Lead reports have pointed to the intractable issue of hiring more people of color as organizational leaders. Between 2001 and 2011 the percent of people of color leading nonprofits only rose from 17% to 18% even though many of the people we interviewed were committed to training and supporting candidates of color both for the board of directors and future executive leadership.

- **Internal Bench:** Not every organization has the luxury of a strong set of staffers who can sustain the organization during a transition and beyond. Yet, building the leadership of the internal staff – even those who are relatively green – can enhance the viability of the organization during the transition. In some cases, executives groom an experienced internal candidate who can compete for the job. There are leaders who obtain transition funding in order to strengthen their bench; and there are executives who take a sabbatical to prepare the organization to operate without them. Often, leaders thought about building staff capacity – especially of younger leaders of color – to boost the organization during a transition and prepare it for continued leadership in the field. (See Issue of Race)
- **Funding and Financial Stability:** Many leaders worry that the organization will lose the ability to raise funds after their departure. Funding is always tricky to transfer as it is built on the reputation of the organization and personal relationships with funders. In a few cases, departing executives continued to raise money for the organization after they left. Others built a financial cushion prior to or during the transition period; it was not uncommon for leaders to hold a series of fundraising events as part of the exit process.

TRANSITION PLANNING 2.0

One leader we interviewed has run a social service agency for over thirty years, growing it from \$50,000 to a \$50 million annual budget. For the past two years, he has engaged the staff in succession planning – from middle managers to senior executives – including financial management, leadership training, and strategic visioning. In fact, his actions insure a strong internal bench that can continue the organization's important work when he leaves.

For organizations in difficult financial straits, an impending leadership change can be the right time to assess whether a group has long-term viability. Given the recession, leaders, founders, small organizations, and boards will consider a merger or closure upon a key executive's departure. In some cases, a leader working long hours for little pay is keeping a precarious organization from going under; finding a successor willing to do the same is unlikely. Sometimes the doors can be kept open by leveraging a leader's personal contacts, but there are cases where bad luck prevails. A foundation's change in funding priorities, for example, can suddenly put an organization's survival in question.

In these situations, replacing the exiting leader may be too taxing for an already under-resourced organization. A leader can feel that her hard work is negated if the organization accepts a merger or closure. At the same time, leadership is needed to successfully navigate these decisions. In one scenario, a founder helped merge the

capacity-building group she started within a much larger nonprofit management support organization where she continues to work in a different position.

Preparing organizations for leadership transitions is becoming more standard throughout the nonprofit sector. Often these are plans put in place in case of an emergency. The services offered by coaches, consultants, and other advisors can help prepare an organization for a healthy transition into the next stage. We consider both emergency succession planning and advising services good practice, but leaders should not wait for an occasion to address issues facing the organization's future.

LONG-TERM LEADERS LEAVING: NEXT STEPS

TAKING THE PLUNGE

Even with careful planning and decision-making, leaving involves a leap of faith. The future is often uncertain and having faith that life after leadership exists can be hard for long-term executives who may fear age discrimination, making new contacts, and working outside of their comfort zone.

Eventually, most leaders set a date, share the decision with others, and agree to a fixed timeline. There are no hard and fast rules, and circumstances can hasten or delay the actual departure. It is most important to plan an exit when the leader has the energy and opportunity to make the transition in a way that benefits the organization and does not sacrifice personal well-being.

Most of those we interviewed worked closely with their board of directors during this process. Those in top leadership positions often experience a kind of dance with their boards. Some work with the board – a trusted member, the president or an executive committee – over a long period of time, developing the exit together. Others tell their boards only when they have a definite plan in place. There are cases when the board initiates the conversation: it may come up when they are developing an emergency succession process or taking on a capital campaign. The board might worry about the leader’s departure in the midst of major initiatives and signal their desire for the leader to stay. In most cases, however, it is an iterative process between an executive coming to terms with his decision to exit and a board that must suddenly prepare for one of its most important tasks: hiring a new leader.

We also found instances in which the board makes the decision independently, terminating the leader without any advance warning; up to one-third of executives exit their positions involuntarily.¹² Ironically, taking a leadership role in leaving may help circumvent these unexpected and often unfortunate events. We also want to note that some leaders may be forced to leave because of circumstances completely out of their control, such as an acute illness. In these cases, emergency succession planning helps the organization cope with the loss. Nevertheless, once a departure is imminent, an executive can take an active leadership role in this process, which can be considered a rite of passage.

“My father taught me to be aware that when problems come around for the third time it is time to go and make a change because you’ve lost some of your creativity in the situation.”

NEXT STEPS FOR THE SECTOR

The large cohort of older leaders moving into a new stage of life and work will have implications throughout the social sector. We need to prepare leaders and organizations while also putting systems in place that both take advantage of and ease the impending tidal wave of change.

This paper is the second in a series designed to expand knowledge for those currently going through this process and for future generations. There is a growing need to learn about and address the personal issues, the organizational implications, and the systemic impact.

- **Prepare Older Leaders:** There are few resources for long-term leaders in the nonprofit sector who are planning for their next stage of life. We found that leaders need individual help, but that they are also interested in meeting and talking with others going through a similar process. They want to know: How do I make the decision? What should I expect? What will I do next? They seek out books about the encore stage of life and look for places that might offer structured guidance. We will continue to provide evidenced-based framing concepts and practical ideas, and we welcome contributions to this nascent body of work. Our next paper will address how seasoned leaders decide what to do after they leave.

- **Prepare the Field:** Two things are clear from our research: Older leaders will leave their positions, and most leaders want to continue to contribute to social change. On one hand, organizations need to start preparing for the exit of longtime leaders and staff members. On the other, organizations should consider how they could take advantage of the knowledge base and experience offered by this shifting cohort. Organizational development consultants, coaches, and nonprofit programs can help by providing older leaders necessary support and retooling and offering organizations the flexibility and ability to benefit from these changes.
- **Develop New Systems:** In our last paper, we underscored the fact that there is a new stage in the cycle of work and life, a time when long-term leaders – usually 60 and older – are ready to transition to a different type of work. The nonprofit leaders we surveyed are looking for less responsibility, more flexibility, and continued meaningful work. This has implications beyond individuals and their organizations. It has the potential to open up a larger conversation about how we structure work so that our contributions are more valuable and reflect the leadership of both older and younger professionals. We must look forward to the next two decades as a time for charting this new course in a way that benefits the field.

As we continue our series of reports and tools to help those entering this next stage of work and life, it is our intent to begin this larger conversation. Our next product will function as a how-to tool for leaders who are making the decision to leave. We welcome your thoughts, ideas, experiences, and research to add to this nascent but growing field.

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For additional information on this and related topics, please visit the websites below. If you have questions or suggestions, please email leadership@buildingmovement.org.

ENDNOTES

1. Our first report, *The New Lifecycle of Work: Long-term Nonprofit Leaders Prepare for their Future*, is available at www.buildingmovement.org.
2. Kunreuther, Frances and Patrick A. Corvington, *Next Shift: Beyond the Nonprofit Leadership Crisis* (Baltimore, MD: Annie E. Casey Foundation, 2007)
3. Kunreuther, Segal and Clohesy. *The New Lifecycle of Work: Long-term Nonprofit Leaders Prepare for their Future*, 2012.
4. We recognize there are those who leave because of circumstances that are out of their control – such as a decision by the board of directors to terminate a long-term leader or an unexpected life circumstance – where the decision has largely been taken out of their hands.
5. The online survey was taken by 315 individuals, 266 of whom were asked to complete the survey because they fit the survey criteria. Most (72%) of these respondents are baby boomers born between 1946 and 1960; 23% are “pre-boomers”, born between 1938 and 1945; 5% are in the silent generation born before 1937.
6. See, for example, Wolfred, Tim. *Managing Executive Transitions: A Guide for Nonprofits*. St. Paul, MN: Fieldstone Alliance, 2009. Adams, Tom. *The Nonprofit Leadership Transition and Development Guide*. 2010. San Francisco: Josey-Bass and Transition Guides, 2010.
7. <http://www.pewresearch.org/daily-number/baby-boomers-retire/>
8. Ibid
9. Kunreuther, Segal and Clohesy. *The New Lifecycle of Work: Long-term Nonprofit Leaders Prepare for their Future*, 2012.
10. See, for example, Wolfred, Tim. *Managing Executive Transitions: A Guide for Nonprofits*. St. Paul, MN: Fieldstone Alliance, 2009. Adams, Tom. *The Nonprofit Leadership Transition and Development Guide*. 2010. San Francisco: Josey-Bass and Transition Guides, 2010.
11. Cornelius, Marla, Rick Moyers, and Jeanne Bell, *Daring to Lead 2011: A National Study of Nonprofit Executive Leadership* (San Francisco, CA: CompassPoint Nonprofit Services and the Meyer Foundation, 2011)
12. Adams, Tom. *The Nonprofit Leadership Transition and Development Guide*. 2010. San Francisco: Josey-Bass and Transition Guides, 2010.



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