Defining a Field of Practice:
Guiding Principles for Executive Transition and Leadership Continuity Practice

A Resource Developed by the Executive Transition and Leadership Continuity Affinity Group of the Alliance for Nonprofit Management

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INTRODUCTION AND OVERVIEW

An executive transition is a critical time of opportunity and risk for all organizations. For not-for-profit/social-purpose organizations and their boards, it is an especially challenging time carrying with it added demands and responsibilities. Yet, for many organizations, an executive transition provides one of the most significant opportunities for organizational transformation and positive change in the life of the organization.

A well-managed executive transition, and the years that precede it, offer leaders and staff a unique opportunity to advance the power of their organization to achieve mission impact. Conversely, there are also countless cautionary tales of organizations that floundered or were forced to close their doors due to an inability to navigate an executive transition successfully. Despite the obvious importance of managing an executive turnover well, board leaders do not follow best practices often enough when their executive leaves. Executive transition management, a proven and growing practice, is an unknown, misunderstood, and/or under-used practice. Some board leaders rely on instinct, past experience or uninformed common sense to manage a complex set of organizational questions. Others attend exclusively to the candidate recruitment process, from a misplaced belief that simply hiring someone with solid administrative and fundraising skills, or someone who resembles the most recent executive, guarantees success. Failure to assess issues important to the long-term health of the agency, e.g., reviewing the viability of the current business plan, can set a new ED up for a rugged first year, if not failure.

For decades, some of the older and more mature nonprofits in the United States and around the world have paid close attention to the dynamics of executive transitions. The Girl Scouts, the United Way, the YMCA of the USA are among a few who have concluded that the investment in executive transition services pays significant positive dividends for the individual organization and the strength and reputation of the network. Additionally, in the 1990s the W.K. Kellogg Foundation funded a major five-year study of how community-based, nonprofit organizations might get better outcomes at time of executive transition. This effort, led by NeighborWorks America, resulted in the collection of existing literature from the interim ministry work in certain Protestant denomination churches, work with legal services organizations and other fields on managing executive transition. However, it is not just the large and mature nonprofits that have embraced interim management. Smaller nonprofits with operating revenue of $1 million or less have gained access to executive transition services. This has been particularly valuable when their executive has departed for whatever reason and they have no one on staff capable of serving the position on an interim or long-term basis.

Since the 1990s, a growing field of practitioners has devoted professional expertise and energy to consulting with and serving nonprofit organizations specifically during times of executive transition. From 2000 to 2005, the Annie E. Casey Foundation supported an initiative, which included building of this field of practice and adapting succession planning for the nonprofit sector.

As part of this expansion of the field of practice, the Alliance for Nonprofit Management developed the first national affinity group focused on executive transition. The initial members were executive transition consultants and Interim Executives; some worked for management support organizations (MSOs), some for for-profit companies and others were sole proprietors.
These early members shared a deep belief that planned and facilitated attention to the transformational opportunities presented in an executive transition was among the most powerful ways to increase the effectiveness and impact of individual organizations and the sector. From this work, a body of knowledge and established principles of practice have emerged. These principles are established in a number of published books by practitioners and articles in the Nonprofit Quarterly the Stanford Social, Innovation Review, among other leading publications. BoardSource, American Society of Association Executives, national and local foundations and many other associations use these practices to guide their members through executive transitions.

Our Purpose

The initial focus of the Alliance for Nonprofit Management Affinity Group was executive transition. It was for this reason called the Executive Transition Management or ETM Affinity Group. In 2011, members at the annual meeting acknowledged that the field of practice was growing to include ongoing leadership development and succession planning both prior to and after the moment of a leadership transition. We agreed it needed a larger identification. To this end, the Affinity Group became the Executive Transition and Leadership Continuity Affinity Group.

This paper is intended as a first draft discussion document to bring together practitioners of executive transition and leadership continuity who are committed to leveraging leadership transition to advance organizational effectiveness and impact. While our two most developed practices – executive/CEO transition and search and Interim Executive – are presented as separate practices, in reality there is often much overlap between the two. Though we began this initiative as an effort to identify and advance “standards” for this emerging field, it has evolved to an effort to define the fields of practice and offer some beginning principles of practice and core competencies thought to be important to the work. Standards of practice will emerge over time as the principles become ingrained and tested throughout the nonprofit sector.

Like many professional fields before us, we are committed to ongoing learning and the refinement and evolution of our work to better support our communities. We seek to broaden the number of professionals connected to and interested in this work and organically grow our field of practice over the next decades.

We hold a shared belief that, through increased awareness, education and cross-fertilization with related fields of capacity building, this work will continue to make a significant and growing impact on the role of the not-for-profit sector and the good our sector does throughout the world.

Our Approach

Our approach seeks to define broadly the work of executive transition, organizational sustainability and leadership continuity and offers observations on how we see our practices connecting to other capacity-building fields as well as the broader fields of organizational development and management consulting, among others.

The remainder of this first draft moves into detail about our two most established practices, executive transition consulting and Interim Executive engagements, and includes:
• Definition of Practice
• Types of Engagements and Intended Impact
• Stages for this Type of Engagement
• Practice Guidelines
• Core Competencies and Characteristics of Consultants
• Other Characteristics and Attributes
EXECUTIVE TRANSITION AND LEADERSHIP CONTINUITY

Because there is a fair amount of jargon and a variety of similar sounding terms associated with our practices, terms are defined in each section of the paper as they are introduced. The graphic below is intended to represent the collaborative working relationship between Interim Executives and Executive Transition consultants. The specific roles played by Interim Executives and Executive Transition consultants vary based on the organization and its needs.
Definition

Executive Transition and Leadership Continuity (Organizational Transition) – A set of consulting practices that supports organization leaders in preparing for and managing key leadership transitions to proactively build a foundation on which new leadership will advance organizational capacity to increase mission impact.

As described above, professionals engaged in assisting organizations with leadership transitions and leadership continuity planning come from many disciplines. Broadly speaking, the field attracts individuals who view themselves as management consultants, organizational development consultants, executive coaches or human resources professionals, among many larger fields. One of our goals as an affinity group is to strengthen connections with these larger areas of practice both to continue our learning and to improve (or enhance) practice in those fields.

From a more focused perspective, we view our field of executive transition and leadership continuity as including consultants and other professionals engaged in executive transition and search services, Interim Executive leadership, succession planning, sustainability planning, board recruitment and development, executive coaching, change management, leader development and talent management, among others.

Principles for the Field of Executive Transition and Leadership Continuity

We suggest the following principles to guide our work and that of professionals engaged in work described above as related to executive transition and leadership continuity. Because of the close connection between Interim Executive and executive transition and search practices, we are proposing one set of principles for the overall field. This initial draft will be shaped further over the next several years by professionals in the field. When we reach a strong consensus on principles, we will adopt these more formally.

The suggested principles include:

1. Values-Based - We aspire to provide consulting services that are based on:
   a. Respect for client and organizational stakeholders, and their perspective
   b. Honesty and transparency in communications and all aspects of engagement
   c. Integrity and trustworthiness
   d. Mindful of diversity, multicultural perspectives and inclusion issues
   e. Accountability, thoroughness and efficiency
   f. Commitment to both process and results
   g. Shared experience among proven consultants in the field

2. Informed by practice experience, results and sound research data

3. Maintains an independent and objective perspective, with an open mind and no allegiance to any particular stakeholder or pre-ordained outcome
4. Views the organization as a dynamic system that fosters and supports individual and collective change

5. Commitment to adapting to context and requirements of situation; to building on strengths and to continuous learning

6. Willingness to grow in self-awareness and to be a calming presence and effective facilitator of learning and change with the client

7. Commitment to recognize and build on organizational and leader strengths

8. Aspire to laser clarity about who is the client, the agreed upon scope of work, the conditions for success, and process for reviewing results and learning

9. Ongoing commitment to ethical practice, continuous learning and practice improvement
EXECUTIVE/CEO TRANSITION AND SEARCH

Definition

A set of consulting practices that support departing and arriving executives/CEOs, the Board and staff organizational leaders in preparing for and managing an executive transition. The transition, which includes three phases, results in consensus among Board and management on strategic direction, expectations and required competencies of the new leader. These practices result in a successful executive hire and onboarding process that advances organizational effectiveness and impact.

Types of Engagements

Most executive transitions involve one or more of the following types of engagements:

1. Sustaining Success – A high performing organization with a positive reputation and a well-planned executive transition aimed at sustaining and building on the current level of organizational effectiveness.
2. Organizational Turnaround – An under-performing or struggling organization where confidence of management and/or key stakeholders is weak or declining because of one or more perceived unaddressed organizational challenges.
3. Founder or Founder-like Executive Departure – An organization whose founding executive or long-tenured or transformation executive is departing, often requiring major shifts in responsibility for the board, management and hand-off of key funding and donor relationships.
4. Start-up Executive – An organization that is just forming and hiring its first executive or is transitioning from a volunteer-led and staffed organization to one with its first paid executive.
5. Organizational Assessment and Discernment – Some organizations find it helpful to take a more intensive time-out to assess options when executive transition occurs. This may occur for a variety of reasons – a desire to make sure the mission is still relevant, to ensure that funder and stakeholder support for continuing, to address a major change in the environment or community served, etc. This deeper assessment helps answer the questions: Are we ready to seek a new executive? To what end?

Three Stages

Most practitioners have adopted a three phase model that was developed from their experience and field research supported by the W. K. Kellogg Foundation. The phases include:

Prepare – process of engaging Board, staff and key stakeholders as appropriate in reviewing organizational strategic direction, identifying key transition issues and potential threats to the ongoing health of the organization as well as the development of a position profile and recruitment strategy that clearly aligns requirements of a new executive leader with the organization’s
priorities. Starting in the Prepare phase and carrying through the entire engagement, board, staff and other important stakeholders are assisted in moving through the psychological stages of embracing a change in leadership and any changes in organizational priorities and strategies that emerge in the assessment and planning process.

*Search or Pivot* – process of reviewing potential for internal succession and/or conducting a proactive search that results in a diverse finalist pool that meets the defined leadership requirements. During the search process, agreed-upon transition issues are addressed to increase the likelihood of success for the new executive.

*Onboarding /Post-hire or Thrive* – process of building a strong foundation for the success of the new leader; planning for and executing the welcome and orientation of the new executive, supporting her/him in building internal and external relationships, establishing 90- and 180-day performance goals with clear mechanisms for feedback and review resulting in a positive board/executive staff working relationship.

**Practice Guidelines for Executive Transition and Search Practice**

The following are practice guidelines that consistently result in hiring of a new executive who meets the current and future leadership needs of the organization, fits the organizational culture, meets or exceeds expectations and remains in her/his leadership position for three or more years. The practice guidelines are:

1. Attention to both the organizational transition and search is required for success.
2. Each executive transition is unique; the quality of the relationship between the incumbent executive and the Board significantly influences the challenges and opportunities.
3. There are patterns to executive transition and a proven practice – executive transition and search – which reduce risks and advance organizational capacity, ensure a successful foundation for the new leader and optimize the long-term health of the organization.
4. Effective, transparent and honest communication during transition and attention to succession and sustainability planning prior to transition increase the likelihood of a successful transition.
5. A successful executive transition results in new leadership that is built on a positive and clear executive-board relationship from the outset.
6. A review of strategic direction, mission and other key sustainability factors (culture, finances, resource development and leadership) is recommended to best inform the requirements and priorities for the new executive. Clarity of mutual performance expectations and measures of success between the new executive and board is critical to the transition process.
7. Internal succession is an executive transition and requires proactive planning and a transparent process of the executive, the board, the staff and possible successor(s). Requires the same planned onboarding process for the first 3–6 months as an external hire.
8. A proactive executive search that identifies a diverse pool of candidates who meet the leadership profile best advances the transition and empowers the selected executive candidate.
Core Competencies and Characteristics of Effective CEO Transition and Search Consultants

Effective, successful executive transition consultants demonstrate the following core competencies:

**In-depth Knowledge of the Nonprofit Sector**
- Working knowledge of nonprofit governance, culture, leadership styles, models and structures, legal, financial, tax and audit requirements, funding streams, human resources, subsectors, as well as the nonprofit life cycle and role expectations within a nonprofit organization

**In--depth Knowledge of Consultancy Stages and Practices**
- Strong project management and administrative skills
- Knowledge of organizational assessment tools and practices; ability to collect, analyze and act on qualitative and quantitative data from multiple sources to provide a rapid comprehensive assessment of an organization’s strengths and needs in the context of a leadership transition
- Strong facilitation skills with the ability to maintain neutrality, manage individual emotions and group dynamics, and build consensus with groups, particularly during times of heightened uncertainty and anxiety

**Transition and Change Management Expertise**
- Knowledge of the Executive Transition Management (ETM) model or similar approaches to executive transition, which include attention to organizational development opportunities and challenges as well as the search for a new executive. Ability to identify and communicate strategic choices inherent in executive transitions
- Coaching skills and ability to motivate stakeholders and lead them through organizational change
- Ability to engage organizational constituents/stakeholders in an inclusive process to ensure alignment of strategic goals and expectations
- Ability to work with and develop volunteer boards that may be performing their role at a less than ideal level, and supporting them to enhanced levels of leadership and accountability within the organization.
- Ability to align the executive position description based on the organization’s current state, culture, future goals and the community environment in which it operates.
- Ability to emotionally engage and support both the outgoing and incoming executives, facilitating healthy and supportive endings and beginnings with the board and organization as a whole.

**Organization Development/Capacity-building Knowledge**
- Understanding of organizational sustainability issues
- Knowledge and capacity in whole systems thinking and ability to apply this in the context of executive transitions
- Understanding of leadership continuity and talent development
Strong Communications Skills

- Ability to work and communicate with empathy across missions, diverse cultures and people, and professional disciplines in a nonprofit setting
- Strong verbal and written communication skills
- Ability to energize and focus organization leadership to build the board-staff partnership in support of organizational sustainability and leadership transition
- Ability to facilitate difficult conversations and manage conflict resolution

Recruiting Skills

- Ability to promote and market leadership positions
- Ability to generate, nurture and coach a pool of qualified candidates
- Ability to access and develop a diverse pool of qualified candidates
- Ability to build, maintain and leverage relationships across multiple and diverse networks

Screening and Interviewing Skills

- Ability to recognize talented candidates
- Ability to manage a detailed, fast-paced recruitment process with multiple stakeholders and demanding needs and timelines flexibly and nimbly
- Ability to develop relevant interview questions based on the job requirements and to train committee members on appropriate and legal interview protocols and skills
- Ability to facilitate post-interview discussions to bring consensus regarding finalists
- Ability to assist a transition committee to develop screening skills and experience and to provide expertise/guidance on identifying the right leadership for the organization
- Ability to conduct in-depth comprehensive reference checks

Post-Hire/Onboarding Skills

- Ability to help Board and new executive form a trusting and transparent partnership and set performance expectations of each other from interview process to the hire date and beyond
- Ability to help integrate the new executive into organization both onsite and in the community
- Ability to coach new executive and the Board to identify and address short- and long-term professional development needs in order to ensure she or he has all the skills and tools needed to perform the job at full capacity
- Ability to help develop performance goals for the new executive and help negotiate an agreement between the Board and the executive on performance measurements
- Ability to assist the Board to refine its governance and oversight functions in light of the current situation without moving to the extremes of micromanagement or too much detachment.
INTERIM EXECUTIVE LEADERSHIP

Definition

An experienced, professional, interim executive is a highly skilled nonprofit leader, well versed in both nonprofit business and change management, who brings an objective perspective and can lead a board and staff through an organizational transition while addressing specific stabilization, sustainability and capacity-building needs over a time-limited period.

Types of Interim Leadership Roles

Executive Transition

The most common practice of Interim Executive management, the executive transition interim provides organizational leadership and capacity-building services following the departure of a leadership position. In most cases, the successor is yet unknown and the interim assists an organization with both a human resource solution and an organizational transformation process for sustainability, thoughtful succession and mission advancement. The Interim Executive can help the organization assess current community needs and organizational readiness to correctly profile the job description needed for the incoming executive. In some cases, especially with smaller organizations, the Interim Executive may conduct or provide other support for the search process.

Founder Transition

The dynamics surrounding the departure of a founder or a particularly long-tenured and revered executive can be particularly challenging to move through. If they are not identified and addressed before the new executive arrives, those dynamics can derail the leadership of the successor. As a strategy for ensuring the organization successfully manages the separation from a founder, some boards will bring in an interim ED for a period of 6 months or more to allow the organization time to “let go” of the departed founder and be ready to embrace the personality and leadership style of a new and different executive.

Inaugural Executive Position

As an organization evolves from all-volunteer to having a first-time paid executive, this type of Interim Executive plays a strategic role in establishing a startup infrastructure. Not having a personal long-term vested interest in the long-term/regular position, the new position interim creates systems, builds the capacities for measured growth with an added human resource, forms organizational alignment behind a new infrastructure, and develops first-time processes that will be later inherited by a permanent executive to refine as her or his own.

Organizational Dissolution

When an organization has concluded that the sustainability of its mission has been permanently compromised, the dissolution interim is charged with appropriately and legally sun setting the
nonprofit. There will be no successor. There is the potential for higher than average involvement with the predecessor. The dissolution interim specializes in creating befitting legacies, appropriately eliminating the workforce, assuring legal document destruction or storage and fulfilling all obligations to the organization's stakeholders.

**Merger and Acquisition**

In today's environment, the number of nonprofits choosing to merge with other nonprofits or to acquire services that augment their mission statements is growing. Merger and acquisition interims offer special talents that help nonprofit boards to navigate the politically charged and legally complicated processes of forming new organizations or radically modified structures with a focus on addressing the organizational culture issues that accompany such decisions.

**Court Appointment**

Whenever a nonprofit organization files for bankruptcy, the courts may elect to contract for an independent, third-party assessment and will issue a contract for independent temporary management of the bankrupt enterprise. The outcome is to render an expert opinion about the perceived ability of the organization to emerge from its bankruptcy proceedings. Such interims have specialized skills at running nonprofits while in bankruptcy and rendering opinions considered “expert witness to the courts” regarding the future of the nonprofit.

**Leave of Absence**

The leave of absence Interim Executive is preceded and succeeded by the same long-term/regular executive usually with a defined length of service as well as parameters for influencing organizational change. The leave of absence interim provides a temporary human resource solution to maternity leaves, short- or long-term disability, sabbatical and other extended absences. These professionals offer capacity-building opportunities that provide assessments, design and implement enhanced systems, and assure management continuity aimed at maintaining or increasing effectiveness and efficiencies to benefit both the organization and the returning professional.

**Senior Management**

As the field of interim leadership grows, large, complex, nonprofit organizations are finding the need for Interim Executives at the senior management level. The purpose of such placements may be to develop and test a new position within the organization, to serve in a position when the incumbent is absent for an extended period of time or to fulfill the responsibilities of the position when selection of the successor will take a significant amount of time. These can include an interim Chief Financial Officer, Interim Development Director, etc.

**Turn-Around Intervention**

When a nonprofit is assessed to be in a stage of deterioration or decline including the possibility of closure, an organization turnaround led by an interim executive with turnaround experience is sometimes needed. This work begins typically with an organizational assessment aimed at better understanding organization strengths and challenges and developing agreement on short-term
priority actions required to return organization to a more stable state. Turn around interventions often include: working with board officers to rebuild the board; revisiting the viability and supportability of the mission; examining business and staffing models; studying cost and fee structures; and building new funding sources, among other turnaround interventions. Organizations in this stage often need a qualified interim executive for up to a year or more while the completed turnaround will likely take several years under the leadership of a skilled Executive Director hired to complete the turnaround and stabilize the organization.

**Five Stages of an Interim Executive Work with Organizations**

**Defining Expectations**

Before the interim engagement is started, in-depth discussions are held to identify ultimate expectations of the project. Those expectations then form the basis for the engagement document signed by both parties. Of course, they may be revised, especially after the assessment is completed.

**Assessment**

An organizational assessment, using agreed-upon tools and processes, is the first step in a successful interim engagement. The assessment is an objective analysis of leadership and management policies and practices based on input from selected individuals, document review and comparison with accepted standards of the nonprofit sector and the relevant field of service. Attention is given to administrative elements important to the longer-term health and sustainability of the organization, e.g., the organization’s business plan, talent development practices, and fundraising strategies and projections. An assessment report is provided to the Board of Directors, which includes a set of recommendations for the board’s consideration.

**Creating the Interim Work Plan**

Based on the assessment findings and recommendations, a prioritized plan for the interim engagement is developed by the board, and responsibilities are assigned. This document may have the effect of revising the engagement document. Further, the plan may not include all assessment recommendations, leaving some to be addressed once the new executive is brought on board.

**Implementing the Interim Work Plan**

Most of the time will be spent in the parallel activities of managing continued operations while moving forward to achieve the goals of the transition period plan. There is a tough balance for the Interim Executive between managing the day-to-day operations of the current organization, assessing and evaluating the organization for future stability, and being involved in strategic recommendations for the short- and longer-term future. Typically an Interim Executive would not make strategic decisions and commence strategic activities with the board, instead, leaving those well positioned to be undertaken and successfully implemented by the incoming executive. The Interim Executive may also have a primary or support role in the search for a new leader; it is especially helpful to invite the Interim Executive’s perspective in developing the new job description based on their interim experience.
**Paving the Way for the Successor Executive**

It is essential at the outset of the engagement that there be clarity on the fact that the Interim Executive is only present for the duration of the engagement. This requires a delicate balance between becoming a trusted leader of the organization and being one who isn't there for the long haul. At the end of the engagement, the departure must be crisp and complete with symbolic handing over of the reins to the new leader. A planned exit needs to be orchestrated with the focus on positioning the incoming executive director for success. The Interim Executive usually prepares a final engagement report on the progress of success measures and upcoming tasks and activities recommended for the new executive.

**Practice Guidelines for Executive Interims**

**Organizationally Focused**

A successful interim is respectful of the organization's mission and the relevancy of that mission in the current environment as well as the needs of the community. The goals of the interim period and the assessment of the organization to be done by the Interim Executive address the relevancy of the mission to the community.

**Change Agent, Not a Candidate**

In order to maximize objectivity and effectiveness as a change agent during the executive transition period, it is important that Interim Executives not be a candidate for the regular Executive Director position. The interim serves from an objective perspective on a time-limited contract.

**Provides Clear, Positive Leadership**

In order to stabilize and move the organization forward, the interim must provide strong relationship management and leadership to people (staff, board, volunteers and stakeholders) in transition and often, crisis.

**Focused on Performance Goals**

With the Board, the interim develops performance goals and desired outcomes at the start of an engagement and revisits them regularly as the assignment unfolds.

**Alert to Conflicts of Interest**

A successful interim avoids all conflicts of interest and brings all potential conflicts to the chair and/or executive committee.

**Available for the Duration of the Engagement**

The Interim Executive remains available for the duration of the interim period unless negotiated differently up front. The interim role is therefore not suited for active, between-jobs job hunters.

**Works Within a Specific, Negotiated Degree of Authority**
While there may be rare exceptions, most interim engagements require the full focus of an interim, although that may not always be full time in terms of hours. At the start of an engagement, the degree of the interim’s authority in major administrative areas is negotiated with the Board or Executive Committee.

**Communicates Clearly and Broadly**

Throughout the engagement, the interim has regular, “check-in” discussions with the Board Chair and/or Executive Committee as well as communications when circumstances require.

**Provides Leadership**

Leadership, guidance and mentoring are provided to both Board and staff to assist them in improving with their own performance throughout the engagement.

**Core Competencies and Characteristics of Effective Interim Leadership**

Effective, successful Interim Executives demonstrate the following core competencies and characteristics:

**Nonprofit Senior Level Executive Experience**

Because interim assignments are transitions, a quick learning curve is essential, and the Interim Executive needs to arrive on the scene already possessing professional experience with nonprofit governance, legal, financial, tax and audit requirements as well as the nonprofit life cycle and role expectations within a nonprofit organization.

**In-depth Knowledge of Consultancy Stages and Practices**

In some situations the interim is the leader and general manager of the organization, and in some cases he or she may also assist in transition consulting. In order to accomplish rapid assessment of the situation and quickly and correctly identify issues, knowledge of needs assessment, problem identification, work and organizational systems, organization development and process design is critical.

**Transition Management Expertise**

Most situations requiring an interim involve change. The nature of the change varies and may include leadership change (executive, key manager or board leader); change in programs or direction; change in systems and infrastructure, cultural change or some combination. To effectively support organizations through change, interims need an understanding and appreciation of transition management as well as experience successfully facilitating change processes with groups and organizations.

**Capacity-building Skills**
Most of the change work described above involves assessing current strengths and capacity of the organization and assisting leaders in articulating and advancing aspirations and goals to enhance organizational capacity and mission effectiveness. Knowledge of and experience with organizational development, including appreciative inquiry, small group facilitation and technical areas of desired capacity change (governance, fundraising, finance, technology, among others) adds value as the interim leads capacity building. Where the Interim Executive does not have the capacity-building skills to address identified needs, he or she will have ready access to consultants who do.

**Business Acumen**

An Interim Executive must identify quickly if there is an immediate risk to the organization, so a solid background and experience in financial policies and management, balance sheets, cash flow projections, and financial management policies and practices is needed.

**Communications**

The Interim Executive will need to motivate, inspire and present to a diverse range of constituents, including board, staff, major donors, clients, and guests, and will need to be able to craft and adapt messages appropriate to each audience. The Interim Executive will need experience preparing and presenting verbal and written messages as well as in influencing, facilitating and meeting with others.

**Project Management**

The Interim Executive will be inheriting current projects and production work of the organization as well as conducting assessment and evaluation services; creating and managing transition leadership actions while simultaneously initiating new projects with staff to meet organization performance goals and/or mitigate imminent risks to the organization. Therefore, the Interim Executive must be able to develop projects that can be accomplished by the staff, board, and organization and create project-based work plans and time tables that track progress and status. The interim works to ensure successful completion of project plans during the interim period so they can be easily transferred to the incoming executive.

**Multiple Role Management**

The Interim Executive possesses leadership as well as expert transition management consulting skills and understands the differences in those two roles. The effective interim will be able to lead the operations of the organization while also advising the board and staff of changes and shifts necessary for the future health of the organization. At the same time, the interim will not assume the leadership role for determining and implementing strategy.

**Committed to Personal Professional Development**

While interims are experienced, they also recognize the need to be continuous learners in all areas related to nonprofit management, operations, leadership and governance. They actively engage during and between interim assignments in learning and personal development so they can bring
current expertise and personal self-awareness to the dynamics of the organizations they serve. They are continually striving to understand their own challenges in working in difficult situations.

In addition to technical core competencies and skills, the successful professional Interim Executive will exhibit a high level of the following traits and characteristics:

**Inspire Others to Act and Move Forward**

The interim leader is often engaged for a short period of several months so she or he must be able to quickly assess and communicate to others in such a way they are willing to move quickly to prepare the organization to mitigate any imminent risks as well as setting the stage for an incoming executive to be successful. The Interim Executive does not allow an organization to stall or lose existing momentum toward sustainability strategies, nor does the interim leader "take the organization" backward to reassess or reexamine strategic plans when their current path is on target with the mission, community needs and sustainable future of the organization.

**Fearless Truth-Teller**

Interim Executives are in a unique role and are often in the best position to help the next executive director by telling the truth in a way that it is heard and acted upon by the board, staff or key stakeholders of the organization. The Interim Executive is an independent expert, in a temporary capacity of stewardship of the organization and not a candidate for the permanent ED role, so it is incumbent on them to make sure the board leadership is aware of the facts the organization faces that might jeopardize its future or the new executive's chances to be a successful leader.

**Thrives in and Enjoys Complexity**

The daily tasks for the Interim Executive range from strategic thinking to mundane project details. The relationship management aspects of the position are as complex for a long-term/regular executive and sometimes more so for an Interim Executive. The interim must be comfortable with and successful at addressing complex issues and challenges.

**Values and Demonstrates a High Level of Transparency**

The board of directors, key staff and stakeholders must trust the Interim Executive to respond well to change and operations shifts, so the interim must be very accessible and transparent in their assessment fact-finding, recommendations and day-to-day dealings.

**Listens without Judgment; Accessible and Open to all Voices and Opinions**

In order to gain the confidence and action of the board and staff, the Interim Executive must display neutrality so that communicating with others about the state of the organization is not construed as judging or 'blaming'. This, therefore, allows recommendations to be acted upon without people feeling indicted for previous leadership decisions or actions. The interim must be comfortable with chaos and able to provide steady guidance during conflict.

An organization in leadership transition can often be destabilizing. The interim must be a stabilizing force, quickly calming change-related emotions with empathy. The Interim Executive
motivates people to work with the organization’s priorities and focuses the organization on its mission, purpose and the work at hand.

**Manages Self with Positivity and Grace**

The interim leader will help others become optimistic about the organization and its ability to overcome leadership transitions by demonstrating grace under pressure and giving staff and board the confidence that a new executive can be found to lead the organization.

**Relationship Oriented**

Just as any executive engagement, the interim leader must be able to deal effectively with a diversity of constituents and stakeholders to influence and manage them in the best interest of the future stability of the organization. The Interim Executive will face skepticism upon entering the organization and be able to quickly put people at ease, gain the confidence of board, staff and key stakeholders, and build trust and willingness to work together for the best interest of the organization.

**CLOSING**

Thanks for your interest in the field of executive transition and leadership continuity. To learn more about the Alliance of Nonprofit Management and the current activities of the Executive Transition and Leadership Continuity Affinity Group (ETLC), go to the [Alliance for Nonprofit Management](https://www.alliancenm.org).