

Living the Soaps

by Ted Ford Webb

"A problem well defined is half solved."

--Edwin Herbert Land, inventor of Polaroid instant photography

***Editors' note:** One of the more interesting benefits of being an organizational development consultant is the stories you accumulate. They are all full of intentional and unintentional legacies, intrigue, relationship issues, passion, and complexity--like soap operas. This is the stuff of which our organizations are made. When you work with an organization while it is undergoing or wants to undergo a major transition, a good piece of the work is helping the system to understand itself and its position in the world to make well-considered choices out of that understanding. Research findings referred to in the article by Hinden and Hull reinforce the fact that transitions are generally more successful when they are grounded in holistic organizational development work. In this article Ted Ford Webb, a well-known figure in the field of nonprofit executive search, vivifies this important point, beginning with a set of stories about the complexities in executive transitions.*

Organizational Form and Intention

A family planning organization prospered under the long tenure of its outgoing president. Her effectiveness as a spokesperson, advocate, and fundraiser transformed the organization from being affiliate-based and decentralized to a more uniform, centrally controlled franchise.

With her departure, the national office staff aspired to continue its dominance and the board of directors, which had been largely controlled by the president, expressed its desire for a more board-centered leadership. The affiliates sought a return to the more varied, grassroots, affiliate-based approach of the past. In addition, there were critical strategic issues pressing on the organization. Should they continue their primary emphasis on reproductive rights advocacy, or should they seek to define themselves as a broad-based health care program for women?

At the time of the search, the board and various other interests had strongly held opinions on these critical questions and with little consensus.

Sustainability of the Administrative Model

A small, economic justice advocacy organization grew successfully under the founder's effective leadership. His expertise on the issues made him a leading spokesperson in media and public policy forums. His team-building style encouraged rigorous debate and give and take within the organization. The founding board members had a regular presence in the organization, and participated as equals with staff on internal projects and committees. Conflict among staff and board was minimal, due largely to the collaborative style and skill of the founder.

When drafting the job description for the next executive director, the board began to wonder how to diagram the relationships and accountabilities among staff and board, and whether the new executive

director was likely to have the moral and intellectual authority of the founder that made it possible to operate with so little hierarchy among the staff and board.

Viability of Board/Executive Partnership

A child welfare organization with a long tradition of service and commitment to children had a series of three-to-five-year term executive directors. While nothing seemed wrong outwardly, the organization presented difficult governance challenges. Board members regularly introduced confusing and contradictory expectations. Some established relationships with staff members in which they acted as managers or advocates within the organization for their favorite part of the program. Some board chairs considered themselves CEOs and gave direct orders to staff, while others played a more facilitative role at the policy level. Executive directors, who had been hired mostly for their skills in program and operations, generally reacted by “working” the board--developing relationships one at a time with board members in a piecemeal effort to sustain majority support.

Faced with external pressures for better performance and accountability, the board sought an executive director who would make this a first class operation. Given the culture and approach of the board, would it be able to attract candidates who could do this?

Philosophy of Practice

A Fortune 500 company had industry-leading profitability and paid uninterrupted dividends throughout the tenure of its retiring CEO. The CEO had built a powerful team of executives and the company grew through acquisitions, technological and workforce innovations, and strategic purchasing. The team culture was one of demanding standards. The board, uniformly pleased with the company’s performance, had been hands-off.

The board came to realize that the next CEO would face a powerful team of executives who exhibited disdain for the regulators who set its rates, had taken an aggressive approach to its rate filings, and had also alienated many of its major ‘captured’ customers.

At the time of the search, regulators proposed a rate increase that would put an end to the high dividends and likely result in an immediate downgrade of the company’s Wall Street rating. The executive team, which had mostly had its way with the board, aggressively demanded a CEO who would fit with their philosophy and approach. Legal counsel thought the company would likely lose any rate lawsuit. The board was not close to these issues.

Does the board select a CEO who concurs with the litigious strategy of the executive team, or does it modify the company’s regulatory strategy, and risk undoing a highly refined plan and possibly losing its senior management team?

In each of these stories, internal situations underlying the search came to light in early dialogue with board and staff members. Inevitably, more complexity, conflict, and contradiction exist than are revealed by formal job descriptions and by-the- (human resources)-book recruiting processes. Ultimately, the new executive director will confront (or be undone by) this complexity and contradiction.

Nonprofit, corporate, and government organizations alike are challenged by the kind of politics illustrated in these examples. A transition process that takes these politics into account is equally powerful and effective in any of them. We know, because we have applied this precept consistently and successfully in all of them. And, conversely in our experience, organizations that haven’t, have consistently had an unpleasant result.

Boards that understand the complexities of their organizations and share these with candidates take a crucial opportunity to clarify direction, among themselves and with their candidates. It is often difficult and uncomfortable for boards to acknowledge internal politics and personalities, but it is helpful to recognize them immediately because the issues never go away by themselves with the mere insertion of a new personality.

In the above examples, as each board explained the organization's challenges to the candidates, the board exhibited its readiness to engage on the critical issues as well as its capacity to work in partnership with the executive director. Testing the candidate's ability to engage constructively on volatile, difficult matters within the organization (or board) in the relative privacy of the search process was also a superb technique for evaluating a key criterion for successful leadership.

At a more subtle level, the board's gesture of directness and truthfulness on the issues, in turn insisting on candor and truthfulness from candidates, laid the foundation for a successful relationship with the chief executive. A relationship of trust and integrity, which all would agree is essential, was begun in the selection process, not after the person was hired.

Overcoming Painful Legacies

Boards and staffs tend to be passionate about avoiding old "mistakes." An executive transition when they have been unhappy with a current state of affairs often drives them to seek an apparently quick fix to resolve the pain and take care of the "problem." Without a complete understanding of how the whole system works, this can lead to a seesawing effect and rapid repeat transitions or a general lack of focused progress.

We recently recruited the president of a large state university. The outgoing president had successfully promoted the university's growth, though was Machiavellian in his tactics. He had been careful to limit the autonomy and authority of his provost and senior managers, manipulated the faculty, and limited the information shared with the board. The university's growth had enabled him to evade each group's percolating issues.

With his departure, all were passionate about correcting what he had done to them. The board wanted to maintain the pace of fundraising; managers were concerned about chronically weak managerial leadership; the faculty, understandably angry, insisted the next president be scholarly--"one of theirs, for a change." Each group had good reasons to feel righteous about their needs. Each group had their (righteous, and contradictory) definitions of the most desirable primary skill and orientation of the next president--fundraiser, manager, scholar.

Two of the most serious mistakes a board can make are: (1) to opt for the opposite of a leader who is seen as having failed, at least in the latter portion of his/her tenure; or (2), if there is something about the current leader that is highly valued, to try to replicate it. For instance, they might have selected another fundraising-focused president. If the faculty's concerns were not recognized, discontent would build. The new president--who knows he/she has been chosen by the board for his/her fundraising skills--might tend to discount other portions of the job as less important or might not have the skills or orientation to work with them, worsening the situation considerably.

In this particular case, board members, faculty, administrators, and alumni, on reflection, recognized that their circumstances were a logical outgrowth of the leadership technique of the outgoing president--even as they celebrated his notable success and highly skilled performance in leading the university to growth and prosperity. In examining their discontents openly, all parties concluded that most leadership styles have their upsides and downsides and that what they needed to look for was balance; then they were able to come to terms in selecting the next president.

There is also something else, perhaps less obvious, which makes this approach very effective. For a board or a board/staff search committee, coming together and acknowledging hard felt issues and differences of opinion among themselves, and then putting the burden of constructively addressing those issues onto the candidates, can be a cleansing and cathartic act.

The Search

Prescriptions and formulas don't work in executive search.

We reached out to people most likely to have all the skills and knowledge necessary to negotiate such a search effectively--a military commander, a former governor, a fundraising-oriented college president, a university vice president for administration, an eminent scholar and researcher, a provost, and sitting university presidents. They suggested different analyses and approaches. Ultimately, the successful candidate offered the best solution to address the complexity and contradiction (and opportunity) inherent in the position. The board made a better decision by virtue of being able to draw from a variety of approaches.

Attracting Stronger Candidates

The system dynamics in these situations are such that the strong president is usually followed by a weak president. Why? The field of stronger (potential) candidates, typically sitting presidents in other universities, will recognize when the organization is not reconciling tensions and will decline candidacy. The weaker field--those who do not understand these dynamics, or who are prepared to take their chances in order to rise to the presidency--will apply.

By definition, they are less well equipped to reconcile these tensions, so they tend to have a short, unhappy tenure, and in a sense their failure clears the way for the next president to be successful. That's how it usually works.

In this instance, our client, the board, recognized they *had* to resolve these issues. This university was operating in a tremendously competitive environment, and it needed a strong president to follow a strong president. To every candidate we said, in effect, "Please come and work with us to find a solution."

The honesty of this approach had a potent effect. A number of sitting university presidents became candidates, and stated quite clearly that they would not have, had we not been clear about our resolve to address these issues.

This medium is the message, and any overture to a candidate that does not acknowledge the elephant in the room implies that the organization is not going to engage on these problems.

The wiser candidates will see that, if not initially, then eventually. (If they don't, they are not the wiser candidates.)

The circumstances I have described are particularly transparent in a university president search, where everyone has an opinion and readily shares it through the grapevine. But insights of this nature are generally knowable in almost any chief executive search.

Reality-Based Search

The instinct of organizations, and boards, is to avoid that which causes the most discomfort, even what is often the most vital to success. We have found a consistent pattern over the course of hundreds of chief executive searches in the nonprofit and public sectors, and with publicly held and private companies. It is the nature of organizations to produce these contradictions, and it is the obligation of boards to address them.

Realize experienced leaders in any field recognize there are challenges in every organization, and generally have a good idea of what they can be. If they are close to the operations of a given organization, they often have an exact sense of the issues. They are not shocked to learn that these issues are present.

In our experience, they are only shocked when an organization has used the executive transition to step back and reflect and analyze themselves. As experienced leaders they have come to expect a formal, ceremonial selection process, driven by a traditional, candidate strengths-and-weaknesses approach. As candidates they expect to struggle to detect the underlying truth of the situation, and in the end make a leap of faith to accept a position--only then discover what is really going on.

As for those candidates who are turned off by this, and by being tested for their ability to address them--they were the wrong candidates for the job anyway!

Conducting the search based on what is "really going on" absolutely changes the paradigm. The result is to attract the more thoughtful candidates, to draw out their ability to address the real challenges of the position, to produce an executive director and a board with a common mandate.

About the Author

Ted Ford Webb is a principal at Ford Webb Associates, a Concord, Massachusetts based firm which has merged traditional executive search with a rigorous management consultancy and multi-disciplinary experience to achieve maximize results from critical executive searches.