

# New School Helps Founders Handle Strain of Leaving

By Michelle Gienow

**M**ARK LIPTON has spent the past three years helping charity executives step into some big shoes.

As head of the New School's Tenenbaum Leadership Initiative, Leading After the Legacy, Mr. Lipton worked with executive directors who took the place of the founders of their organizations, helping them make a smooth transition. But all too often, he says, those new CEO's told him about the obstacles strewn in their paths.

"In so many cases, it was almost like the founder had stuck their leg out for the new person to trip over," says Mr. Lipton. "There were patterns in the stories these participants were telling. It was as if the founders were giving up their child and ultimately couldn't do it. So it was almost like, 'Let me make sure my child fails' because it was just too painful to let go and see their charity go on without them."

As a result, says Mr. Lipton, at least 20 percent of the 60 or so executives who went through the Tenenbaum leadership program during its 2008-10 run quit their jobs soon afterward.

"The response to that figure has often been, 'Wow, I guess those are real failures for you,'" he says. "But they weren't failures. Rather, these executives were now able to take an objective look and say, 'I cannot undo the fact that the founder is still in the corner office' or 'The board is not budging for me,' or other situations we heard about. And they recognize that they were prevented from effective action by some founder-related issue."

Once he saw so many leaders facing the same problem at a diverse group of charities, Mr. Lipton decided to flip his focus for the Tenenbaum's newest program, the Founder's Studio, from successors to the founders themselves.

The original leadership program had been created with a \$500,000 gift from the philanthropist Ann G. Tenenbaum and her husband, Thomas Lee, founder of Lee Equity Partners. From that nearly spent gift, Mr. Lipton says, "I realized I had just enough money left in the budget to do a prototype program—something that would have impact and we could learn a lot from."

## Emphasis on Emotions

Unlike the original leadership program, which was a four-month course held at the New School's Milano School of International Affairs, Management and Urban Policy, the Founder's Studio is a weekend retreat at a private estate in western Massachusetts.

The workshop, held in late April, includes people planning to step down within the next 18 months from the charities they founded and led. Mr. Lipton recruited participants mainly through his contacts at foundations and groups that offer management training to nonprofits. Their costs of participation were fully covered by the Tenenbaum Leadership Initiative.

In addition to the bucolic setting, the Founder's Studio differs from the successors' program in its emphasis on the emotional state of its participants.

"There are both business and emotional aspects in play when a founder steps down, and it's far easier to categorize and address the organizational elements," says Michelle Fitzgerald, an associate at Cathedral Consulting Group, in New York, who specializes in nonprofit succession planning.

"To have someone take a formal look at transitional founders, to evaluate and identify common emotional issues, would be invaluable," she says. "So often the founder has been the end-all and be-all of a charity, and if they trip over hidden emotional issues, it's going to have huge repercussions throughout the organization, potentially even endangering their legacy."

It is for precisely this reason that the Erikson Institute at the Austen Riggs Center, a private psychiatric institute in Stockbridge, Mass., designed some of the programs that were held during the retreat. By pairing the Milano faculty's expertise in leadership and management

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with psychotherapists from Austen Riggs, the program focuses largely on the emotional repercussions that arise when founders step away from the charities they invested their lives in building.

Because of privacy considerations for the participants—some of whom have not yet announced publicly, or even within their own organization, that they are stepping down—Mr. Lipton would not reveal the names of any of the eight founders selected to participate in the program.

## No Further Plans

Aside from a short follow-up session to review lessons from the program, tentatively scheduled for six months after



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**Mark Lipton created the Founder's Studio after running a New School program designed to guide people who take over the executive role from those who started charities.**

the workshop, Mr. Lipton says he has no plans for additional founders' programs at the New School.

He's not actively seeking other support for either the founders or the successors programs, saying it would require time he simply doesn't have to spare right now. But, he adds, "if a foundation came to me and said, 'What you've found is very interesting, let's talk, I'd certainly have that conversation.'"

However, he acknowledges that his one-weekend workshop, with its attention to emotional issues, may help create a new approach for the smattering of other programs that seek to help founders make a smooth transition. "If what we find seems to have substantial impact or potential, I would love to hand it off," he says. "It's not intellectual property I want to just bury if we can't continue."

## Fear and Anger

Some veteran charity leaders hope more efforts like Founder's Studio get under way.

Ten years ago, Rusty Stahl founded Emerging Practitioners in Philanthropy, a membership organization in New York for young nonprofit workers. He now wants to step down from his executive-director post and is trying to do so in a way that will benefit both him and his organization.

"It's very weird to create something from scratch, to be the person who knows more than anyone about the organization and then completely give up any control," he says. "You have a deep emotional attachment to the organization and the people who work for you. It is really challenging emotional work, to separate yourself and say, 'This thing I've created needs to have a life of its own without my leadership' and be-

have in a way that is best for all involved, even as you are navigating some painful issues."

Last year, Mr. Stahl participated in a program called Next Steps Workshop by the consultancy TransitionGuides to help

*The workshop may create a new model for programs that help founders make a smooth transition.*

plan a seamless handover to a successor. But he also sought advice from outside coaches to help him understand and deal with the emotional issues that arose. (Among these, he says, were some fear and anger, even though he proposed the transition to his board.) He thinks that adding a psychosocial

counseling component to typical founders-support programs, which generally focus on such transition nuts and bolts as finances and executive searches, would be "very valuable."

Mr. Lipton has spoken with retiring founders who went through transition programs like the one Mr. Stahl attended, and their experiences inspired his collaboration with Austen Riggs.

More traditional founders' workshops, Mr. Lipton says, "are absolutely useful programs in terms of the mechanics of the transition, but they don't support the founder in exploring their own unique relationship with the entity that they'd created." He hopes the retreat will help build an understanding of "what drives some founders to do things that do not help their baby, their organization, after they leave."

## Informality Holds Key to Making a Learning Community Work

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the participants decide to make it.

Her boss, Cindy Fredrick, agrees. As associate vice president for alumni and parent engagement—and a veteran of two decades working in and leading nonprofit groups—Ms. Fredrick says large charities and foundations face many of the same organizational and communications challenges the University of Virginia has tackled through its group.

She adds that small nonprofits might also benefit, provided employees from a dozen or so small nonprofits can get together to chat and can overcome the natural competitive urges that come when vying for donor dollars.

She says the group doesn't just improve efficiency: "I look at it as a staff-retention, staff-satisfaction tool. People want to be part of a community to make a difference."

At a recent meeting of the Engagement Community, someone asked about Pinterest, the hot new social network. Ms. Zakaib said she's thinking of gathering some people to talk about it, and she predicts participants will volunteer to do what it takes to teach others what works.

"You respond to needs," she says. "We're not making any huge expectations, we're just saying, OK, we are taking one more step. We're not trying to do something huge and official. We're just a bunch of people who want to learn from each other."