

# Is Succession Planning in the Philadelphia Region A Nonprofit Sector Misnomer?

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09 June 2011

As baby boomers begin to retire, leaving many leadership positions vacant, there have been discussions taking place across the country regarding succession planning and leadership development. Philadelphia has been very active in conducting such discussions and often includes the role of diversity in succession planning and leadership development conversations. Groups that have held intergenerational focus groups include, but are not limited to, Independent Sector American Express NGen Fellows and the National Urban Fellows. Conversations around succession planning are pertinent for nonprofit, public and private sector entities; however, the following article focuses on succession planning and leadership development in the nonprofit.

In March, the Philadelphia Social Innovations Journal, in partnership with the United Way of Southeastern Pennsylvania and the Independent Sector American Express NGen Fellows and convening at the Independence Foundation in Philadelphia, conducted a

small intergenerational focus group on succession planning in the Philadelphia region nonprofit sector.

The group invited key leaders, including Millennials (7), Generation X (11) and baby boomers (5), in the community to help them learn more about personal experiences, organizational history and the uniqueness of success planning in the nonprofit sector. Participants' professional affiliations included universities (3), trade association (1), both large and small nonprofits (18) and the public sector (1). The group was assembled as part of a larger effort conducted nationally by the Independent Sector, which convenes coalitions of nonprofit, charitable and philanthropic leaders "to advance the common good" domestically and internationally. To achieve this, focus group discussions are being conducted in a few other select cities around the country to be shared at the Independent Sector national conference in Chicago in the fall.

The following is a compilation of the feedback participants shared in three areas of questioning: personal experience, organizational issues and overall sector issues. The focus group was facilitated by two Independent Sector NGen Fellows, Jethro Miller, Vice President, National Campaign, American Red Cross and Tine Hansen-Turton, Philadelphia Social Innovations Journal Co-founder and Vice President for Health Care Access and Policy, Public Health Management Corporation.\

# **Key Ideas: Attendees' Personal Experience with Succession Planning**

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- Mentoring is necessary.
- Younger leaders should not just look to the top of an organization for mentorship opportunities.
- People need others to support their personal growth and they may not find that person only within their workplace but in friends, family or other organizations.
- With mentorship and support, the mentee is more inclined to be successful and contribute the overall success of a nonprofit.
- A mentoring relationship can be as valuable for the mentor as the mentee.

Attendees were passionate about working in the nonprofit sector. Several of the Generation X participants pointed out they had begun their careers in the private sector, but, finding the work unfulfilling, and, following some soul searching, identified their passions and pursued work in the nonprofit sector. Several attendees said they were able to stay at their first job in the nonprofit sector out of college or graduate school due to their organizations expanding, enabling growth opportunities. They also found that many of the nonprofit leaders mentored younger/new employees. Several younger attendees had

worked in the same nonprofit organization for more than 5 years and talked about promotions coming as “slow burst of opportunities.”

The group spent a lot of time talking about the role of mentors. Many expressed how important mentors can be to both personal and professional growth. Reflecting on her career, one older participant commented on “how important just a little bit of mentoring can be.” Another said, “I’ve always had a mentor.” While some participants spoke of supervisors who had been mentors, mentoring/professional support did not always come from the “likely” sources and many view their friends as key. The notion raised was similar to President Truman’s “kitchen cabinet” – those who can be your peers and trusted friends and colleagues are the ones to give you “honest feedback.” One baby boomer attendee described mentoring as a two-way street, saying “the mentor needs the mentee as much as the mentee needs the mentor.” One of the baby boomer CEOs has mentored many younger leaders and said she always surrounds herself with smart people. While she may give a lot to a younger mentee, she learns a lot from the mentee, which makes it attractive to her. Attendees talked about a lot of burnout in the nonprofit sector because all management and leadership staff are given many tasks/responsibilities without guidance, leadership and support, and many focus group members expressed that mentors can help alleviate the burnout.

Some participants said that a mentor who supports a person's professional growth is a true mentor. This can take many forms at various times in one's career, from teaching writing style/organization, to helping a person realize they need to step back from a program/project, to pushing a person to take on tasks they would not normally have the confidence to perform.

Finally, several Millennials expressed that they wanted mentors but didn't know where to turn or how to go about getting them while the baby boomers naturally found mentors.

## **Key Ideas: Attendees' Experience with Organizational Succession Issues**

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- Organizations need to understand their current and future goals/mission and look for people within who share the same values, passion and culture, and groom the next leaders based on those traits as opposed to whether they have mastered their current job tasks.
- Foundations can do a lot to support succession planning and leadership training, e.g., through fellowships and funding opportunities to learn leadership skills.
- There is a close tie between board development work

and succession planning that is not often understood by nonprofits (either board members or staff leaders).

Succession planning was identified as a major area of concern/issue for many nonprofits, as these organizations are not grooming the younger generation for leadership. A funder in the room gave an example of how she had pulled founding leaders of the nonprofit sector together to discuss long-term succession planning, and the answer from sector CEOs was, "we don't have an issue with succession planning." As a result, the foundation set up a fellowship program for the sector that supported young staff in the organizations along with leadership guidance from the nonprofit sector. Today many of those fellows are now younger leaders and CEOs of organizations in the public interest law sector.

Several Generation X leaders said that formal systems set in place at nonprofits to have succession planning have not been very effective, often because they focus only on succession planning for the top leadership of the organization; mentoring is preferred. One participant commented that his organization is growing so fast that they do strategic planning instead of succession planning because succession planning assumes that the world will stay the same.

Everyone agreed that "Founders syndrome" is real, but a way to overcome it is to surround yourself and your

organization with people who are intelligent, trustworthy and competent. Founders can be passionate; however, the challenge comes when the founder's passion turns into control and micro-management. Also, some leaders have trouble trusting others, letting go of control and delegate responsibilities.

Participants also discussed how organizational politics play a role in succession planning and can hinder needed transparency. In the for-profit sector, succession planning is an integral part of standard operating procedure. In the nonprofit sector, on the other hand, succession planning is not part of the culture, so when some nonprofits begin to discuss succession planning, boards of directors, which may include private sector representatives, grow uncomfortable. They have been used to one leader and one leadership style and, when it comes time to change leadership, boards are challenged by the transition.

One Generation X attendee said that boards must know the type of person, values, passion and culture necessary for an organization; it is not just about skills. Related to the previous point of boards being uncomfortable with leadership change, several of the baby boomers expressed a concern that if boards do not recognize the values, passion and culture of the organization and hire future leaders based only on their skill set, some of these future leaders could be short-lived or even be detrimental to a nonprofit because the fit was not right from the get-go.

## **Key Ideas: Attendees' Experience with Nonprofit Sector Issues**

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- It's not just about the organization's mission – collaboration, strategic business thinking and an understanding of all programs are necessary.
- Transparency within an organization is vital to successful succession planning.

Attendees described that the nonprofit sector overall lacks people with business skills and strategic business thinking. Often smaller nonprofits, in particular, are singularly focused on their mission, leaving less focus on organizational development. This is in stark comparison to some large nonprofits, where overall institutional mission may become diluted if staff members do not fully understand or know what each department/component does and how their individual efforts contribute to global achievement, which can create a secretive or unnecessarily competitive environment that is not conducive to organizational growth and succession planning.

## **Final Reflections and Next Steps**

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All attendees agreed that intergenerational conversations were helpful and needed to occur more often, not just in focus groups. The economy was a big concern for all, especially as it relates to succession planning, and everyone agreed it is hampering progress in the area of succession planning. For some Generation X and Y representatives, whether job advancement was available or even desired was a good topic to discuss with the baby boomers. Baby boomers were able to share some experiences and lessons learned about advancement and/or changing jobs.

Some of the next steps attendees desired were formal mechanisms in Philadelphia to enable continuation of these intergenerational discussions, where younger employees in the nonprofit sector have access to mentors, and an open dialogue about the need for board training to recognize the requisite skill set of the appropriate leader, as well as the culture, passion and values of the nonprofit they help lead.

The Philadelphia Social Innovations Journal wants to continue our focus discussion group with our readers. Below is a set of questions; we hope you'll respond to these via blogs and emails to us at [tine@philasocialinnovations.org](mailto:tine@philasocialinnovations.org).

- Millennials: Have you found it easy to find mentors? If so, where have you found mentors?
- Nonprofit leaders: What would you like to see

foundations do to support succession planning?

- Millennials and GenX: Is there enough transparency and trust in your organization that you feel you could lead your organization if asked?
- Nonprofit board members: What skills/trainings are needed to be good board members?