



SHOULD I STAY OR SHOULD I GO?

**Navigating the complicated role of a
departing iconic leader**

AMBASSADOR INSIGHTS

December, 2019

Developed collaboratively by the
**LEAP OF REASON
AMBASSADORS COMMUNITY**

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“The best thing to give an outgoing leader is a suitcase.” While most boards have received some variation of this advice when transitioning from a long-time chief executive to a newly hired leader, the Leap Ambassadors Community has found that a clean break isn’t always the best advice.

Tess Reynolds and **Alexa Cortes Culwell** were wrestling with this question at New Door Ventures as Reynolds prepared to depart after serving as CEO for 16 years. Before **Omar Butler** was named as the new CEO, Cortes Culwell, a board member at New Door Ventures, turned to the Leap Ambassadors to ask for insights, experiences, and pitfalls to avoid during the transition.

Committed to ensuring that New Door Ventures continues to thrive during this season of transition, Cortes Culwell specifically asked, “Should the board offer Tess a small contract so the new CEO can benefit from her wisdom and experiences after her last day of employment? What advice do others have for making such an arrangement work?”

What’s right for any one organization depends on a few factors, counsel Leap Ambassadors. Outlining an ongoing role for the outgoing leader isn’t easy, but thoughtful preparation increases the likelihood of ongoing success.

Ongoing relationship or clean break?

A transition should always involve a period of overlap so the outgoing leader can transfer knowledge and relationships to the successor, but it’s never easy to follow an iconic CEO. **Chip Edelsberg**, former CEO of the Jim Joseph Foundation, confirmed Reynolds’s inclination not to be present on the successor’s first day: “It is going to be challenging for the new CEO to step out of Tess’s bright, broadly-cast shadow; having to do so literally in Tess’s presence I think would be uncomfortable and not a desirable way, from an optics point of view, to begin one’s tenure.” Former Latin American Youth Center CEO **Lori Kaplan**, on the other hand, felt it’s “important for the outgoing CEO to greet the new CEO” and suggested that there’s no one-size-fits-all solution.

When an outgoing leader is available and willing to play an ongoing role after the transition, several factors should play into the decision:

- **Organizational needs.** In most cases, “it’s critical that the new leader have an unencumbered runway to do it their way without the shadow of their predecessor,” **Mario Morino** noted. “The new leader gets the freedom to respect what was achieved before without being compromised by ‘we do it this way,’” **Mimi Clarke Corcoran**, former president and CEO of the National Center for Learning Disabilities

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and Andrus, said. Yet Morino has seen ongoing relationships work when certain conditions are in place: “The successor CEO was a protégé of the departing leader; the organization needed continuity, not a strategic change or turnaround; and they enjoyed a close relationship and mutual respect.”

- **The predecessor’s personality.** New leadership inevitably brings change, and the board should set that expectation, Corcoran stressed. The stronger the predecessor’s personality, the more reason there is to make a clean break. Morino said, “If she stays on, people with close relationships to the predecessor have the opportunity to involve her and potentially—even if unintentionally—undermine the new leader.” **Jeff Bradach** shared the *Stanford Social Innovation Review (SSIR)* article “[Making Founder Successions Work](#)” (subscription required), in which Bridgespan’s **Jari Tuomala**, **Donald Yeh**, and **Katie Smith Milway** pointed out that any ongoing arrangement requires that the predecessor genuinely wants the successor to succeed and that both sublimate their egos—never an easy task.
- **Chemistry and choice.** When the successor is a protégé of the outgoing CEO or they already have a good relationship, there can be benefits to an ongoing relationship—*if* the successor wants it. The incoming CEO’s desire is key. Leadership succession consultant **Don Tebbe** stresses in “[What to Do When Your Executive Director Leaves](#)” that boards considering an ongoing engagement for the outgoing CEO should disclose it to candidates and make clear that the successor will have control over any proposed contract/working arrangements.

What makes an ongoing, post-transition relationship work?

In “[Making Founder Transitions Work](#)” Bridgespan found that, among organizations whose founders stepped down voluntarily, three out of five extended the founders’ role in some way. By the measures of higher revenue growth, reported success of the transition, and successor tenure of more than three years, “The most successful leadership transitions paired an internal successor with an extended role for the founder,” Tuomala, Yeh, and Smith Milway wrote. That’s a powerful argument for boards to invest in internal talent development and engage in ongoing succession planning long before the CEO decides to leave.

Kaplan was succeeded by **Lupi Quinteros-Grady**, a strong, long-term member of the leadership team at the Latin American Youth Center. She continued in a volunteer capacity, which worked well, because Quinteros-Grady’s learning curve wasn’t as steep, staff anxiety was minimal, and staff loyalty easily transferred to the new leader. **Tiffany Gueye** shared her experiences as both the incoming and departing CEO at

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BELL in Bridgespan’s “[Groom to Grow](#).” In both transitions, BELL’s secret to success was grooming internal talent. (For additional insights from the Leap Ambassadors Community into the importance of long-term CEO succession planning, see [Graceful Exit: Succession Planning for High-Performing CEOs](#).)

When boards believe—and the incoming CEO agrees—that inviting the outgoing CEO to continue in some ongoing role will be beneficial, there are several conditions that can help make it successful:

- **The successor has control over the arrangement.** An incoming CEO must have complete control over a predecessor’s continued involvement. Upon leaving the Jim Joseph Foundation, Edelsberg continued in an advisory capacity to new CEO **Barry Finestone**: “I offered counsel and advice only when asked to do so by my successor and always in the strictest of confidence.”
- **The outgoing CEO has clearly defined projects and role.** Edelsberg stresses the importance of making certain there is agreement among the incoming CEO, board chair, and the outgoing CEO as to what *exactly* the transition will entail. Executing a *written* onboarding plan enhances the likelihood that the leadership transition will be effective for the organization as a whole. The same goes for the outgoing CEO’s continued role. In [Graceful Exit](#), **Rick Wartzman** describes taking on a specific initiative, a clearly defined role he believes contributed to a successful CEO transition at Drucker Institute.
- **Clear physical and role separation are present.** There’s broad agreement that separation with the predecessor must be created to allow the successor to settle in and staff to begin developing relationships with her. The predecessor needs to work off-site or in an office away from that of the new CEO and be prepared to turn away anyone who brings up an issue that should be directed to the new CEO. Kaplan didn’t have an office at the anchor site, and she didn’t “just wander in.” **Hedy N. Chang**, executive director at Attendance Works, stresses the importance of telling “folks that is not a matter for me to deal with,” so that people develop relationships with the new leader. **Mario Morino**, who continued as CEO and chairman after relinquishing operational management to a new president, learned the hard way: “Our offices were next door to each other, but I had to exert hard discipline when senior members of my old team would ‘drop in’ to talk. I had to put my hand up in a stop gesture and point them to the president’s office. This was tough to do!”
- **Engage a coach to navigate the transition.** Corcoran’s experience is that engaging a coach to support both leader and board can increase the chances of transition success. Wartzman credits coaching with part of the success when he transitioned

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out of the CEO role at the Drucker Institute. Similarly, **Emily McCann** found the assistance of a coach invaluable when she took the helm at Citizen Schools and worked through the transition with the outgoing CEO. “She led the two of us through this transition in a way that allowed us to feel like our relationship was on solid ground, and that we were able to put any frustrations or pain or anxiety aside for the sake of the organization,” she said in *SSIR*’s [“Making Founder Successions Work.”](#) In [“New Leader, Endless Possibilities,”](#) **Jill Blair** shares a detailed account of creative coaching and its benefits.

What’s the bottom line? Don’t go straight for that suitcase. Whether an outgoing leader should stay or go after the transition depends on several factors. And while staying presents challenges, it can be done well with thoughtful preparation.

Resources and tools:

- [The Leadership in Leaving](#)
- [Making Founder Successions Work](#)
- [What to Do When Your Executive Director Leaves](#)
- [Graceful Exit: Succession Planning for High-Performing CEOs \(Insights from the Ambassadors\)](#)