



# I've Been Thinking about... Founder's Syndrome

How can you honor your organization's founder while moving on to meet new challenges?

By Martha Golensky

It's ironic, as Stephen Block notes in his book *Why Nonprofits Fail* (Jossey-Bass, [www.josseybass.com](http://www.josseybass.com)), that the very attributes making founders so successful can eventually undermine the organization. The founder's tenacity and dedication, so useful in overcoming early challenges, can, in later years, keep the organization from embracing necessary changes.

Recently, someone described a situation that sounded ideal to me: When the organization's founder stepped down as CEO, he distanced himself to let the new CEO establish herself. He told her he would be happy to answer any questions she had, but he refused to keep any formal ties with the organization.

The problem isn't confined to founders. Any executive with strong needs for achievement and power can derail an organization by hanging on to the reins too long. Too many nonprofits make the mistake of electing the retiring executive to the board. This simply provides a new platform for the CEO to continue controlling the organization.

A nonprofit on whose board I serve has been plagued by this very problem. After the founder resigned as CEO, she became a trustee. With her powerful personality, she often dominated meetings. She was especially outspoken when the organization engaged in strategic planning, urging her colleagues to remain true to what she had established. Fortunately, several new board members who had little or no history with her were willing to be vocal in exploring new directions. When it be-

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came clear she wouldn't prevail, the founder chose not to accept another term on the board.

Early in my career, I encountered a more egregious form of founder's syndrome. In that case, the organization didn't have rotational terms for board members. Thus, 15 years after the founder's death, the individuals he had installed to rubber-stamp his decisions were still following the same, long-outmoded practices. Within a few years, a once-vibrant nonprofit that had served an entire city was reduced to a small neighborhood organization with little influence.

Here are some thoughts on how to avoid this dilemma:

1. Establish a policy in your by-laws prohibiting an executive director who is freely stepping down from accepting another leadership position with the organization for at least three years, except under special circumstances as determined by the board.

2. Make sure candidates to become the new CEO are aware of this policy during the interviewing process and understand the reasoning behind it. Anyone arguing the point may be revealing a potential for causing problems better known in advance.

3. The board, as part of its ongoing support, should hold discussions with the CEO to address this issue. These discussions might consider how the CEO can move to other challenging endeavors when it's

time to leave the organization.

4. Transparency is the key, along with consistency of purpose and preemptive action wherever possible.

Unfortunately, for the organization whose founder is openly resisting change, there may be few options for a resolution acceptable to everyone. An intervention through a frank conversation with a few longtime colleagues might work. If not, the only choice may be to force the founder to step down. ■

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## Moving to the Next Phase

For more on how the board can work with the chief executive to create healthy transitions, see these *Nonprofit World* articles at [www.snpo.org/members](http://www.snpo.org/members):

- **The Founding Parent Syndrome** (Vol. 10, No. 5)
- **Executive Transitions** (Vol. 16, No. 3)
- **Leading and Managing Governance Change** (Vol. 26, No. 3)
- **Manage for Today, Mentor for Tomorrow** (Vol. 23, No. 5)
- **Planning for Leadership Succession** (Vol. 22, No. 4)
- **Learning Institute programs on-line: Board Governance** ([www.snpo.org/lino](http://www.snpo.org/lino)).