

# Did the CEO Do Too Much? Lessons for Your Board

What's the moral of this story? Are you and your board taking it to heart?



**Q** I'm grieving and I don't know if anything can be done. I founded an organization close to 20 years ago and gave my heart and soul to accomplishing our mission. I built a board of people who I thought shared my vision for the future. They backed me in everything I took on. They weren't great fundraisers, but that was okay. They stepped in and helped plan and man our events. I was able to solicit through grants and direct asks the bulk of what we needed to keep ourselves going.

Recently, my life turned upside down and I can no longer stay on as CEO. I spoke with the board about implementing a succession plan, and the directors shocked me by saying that they would just close up the organization. Their reasoning was that I "was" the organization, and no one would be able to take my place. I've never believed that anyone was indispensable, least of all me. But, my biggest concerns are for the community, which is losing critical services that have been making a real difference, and the staff members, who are losing their jobs. Is there any way to turn this around?

**A** I'm sorry. I'm sorry for the situation that caused you to have to give up your position. I'm sorry for the loss of your dream. I'm sorry for the loss of services to the community and the loss of jobs. I'm sorry for the loss of almost 20 years worth of opportunities to build a board that understood its responsibility to the mission. And, I'm also sorry to have to lay a good portion of the blame for this at your feet. I don't know if there's a way to turn this around, because I don't know how far along in the dissolution process your organization is. But, I can offer some thoughts. Perhaps they'll prevent other organizations from traveling down this same road.

CEOs – even founders – come and go. That's the nature of the business. The board's fundamental responsibility isn't to the CEO. It's to the community, to ensure fulfillment of the mission. Thus, the board should be exploring all possible avenues to maintain the services you provide. These include:

- finding another CEO
- putting an interim CEO in for the short term, to buy enough time to decide how best to proceed for the long term
- merging with another organization.

There are companies that can help your organization with these tasks (and the myriad of other tasks required if the decision is to keep the doors open). It sounds like your board doesn't know what to do and is afraid to move forward on its own. If this board isn't up

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to tackling this job, maybe its final charge should be to replace itself with other directors who are willing to take this on.

Closing down should be the very last resort. If the ultimate decision is to close down, it should be done in accordance to your bylaws. If your bylaws are silent on this subject, check out your state regulations. At the very least, all your assets must be distributed to another nonprofit organization doing similar work.

But the key lesson here, in my mind, is what brought you to this point in the first place. From what you shared, you picked your board members based on their loyalty to you, not specific skills needed to take your organization into the future. You were doing everything. The directors were along for the ride. They saw you working tirelessly – at a pace very few would want to take on. You were everywhere, being the face of the organization – and its backbone. Of course they aren't going to want to commit to this level of involvement, especially when they don't know how to proceed, because they were never an integral part of the work.

Don't misinterpret what I'm saying. I'm not suggesting that board members should have been involved in operations. But they should have been making decisions around funding for sustainability. They should have been out in the community beating the drums about the organization's great work and advocating for its future. They should have understood the organization's strengths and weaknesses. They should have had an idea of the number and level of supporters. My guess is, this wasn't the case. If it had been, board members would have felt more comfortable stepping in. They wouldn't be starting from scratch.

Hindsight is always 20/20. But this is a good reminder that boards exist for a reason. They can make a CEO's life much easier if the CEO will not only let them but *expect* it of them.

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