

Firelight Newsflash! 9 March 2009 - Focus on Founder's Syndrome

Founder's Syndrome: How Organizations Suffer -- and Can Recover

What is "Founder's Syndrome"?

Founder's syndrome occurs when an organization operates primarily according to the personality of a key person in the organization, such as the founder, director, or board chair. Founder's syndrome is a problem when the organization is centered around this key person rather than focused on its overall mission.

Dealing with founder's syndrome is a typical problem among small organizations. It is often a natural part of an organization's life-cycle and occurs when people bring an organization through tough times (a start-up, a growth spurt, a financial collapse, etc.). Often these sorts of situations require a strong, passionate personality - someone who can make fast decisions and motivate people to action.

Once those rough times are over, however, the decision-making needs of the organization change. This requires mechanisms for shared responsibility and authority. It is when those decision-making mechanisms don't change that Founder's Syndrome becomes an issue.

Founders Syndrome is no one's fault -- no founder sets out to damage their organization. Staff and board members who avoid responsibility are often also part of the problem. There are actions that founders, Board members, and staff can take to avoid the problems of Founder's Syndrome. Read on...

What are the symptoms of Founder's Syndrome?

- The founder is at the center of all decision-making. Decisions are made quickly, with little input from others. No one really seems to know what's going on. In other words, everyone who is NOT the founder is only a support to the Founder.
- Planning is not done collectively and any ideas that do NOT come from the founder usually don't go very far. People can even become afraid of the founder.
- The board is recruited by the founder, rather than by the board itself. Often they

- are friends of the founder, who may have been there from the beginning. Staff may also have been chosen due to their personal loyalty to the founder.
- The board's role is to "support" the founder, rather than to lead the organization. They are often a rubber stamp board, having little understanding of the work the organization does. Their commitment is not to the mission, but to the founder. They are unable to answer basic questions about the organization - such as the size of the budget, the major funding sources, the extent of the programs, without checking first with the founder.
 - A casual observer would hear a lot of "I, me, my" in conversation. "My staff..." "My organization..." "My vision..." It would also not be unusual to hear the words, "Because that is how we have always done it."
 - There is resistance to any changes that will result in a (perceived or actual) loss of control. There can be a resistance to new staff or outsiders because they are perceived as a threat. There is a (perceived or actual) fear that the organization will become "something we no longer recognize."

Some may ask, "So what's wrong with that?" And the answer is simple: If the "founder" is hit by a truck tomorrow, the organization is not sustainable, All the good work the organization has done over the years is in danger of ending.

Positive & Negative Characteristics of Founders

Founders are dynamic, driven, and decisive. They carry clear vision of what their organization can be. They know their community's needs and are passionate about meeting those needs.

However, founders can also:

- Be skeptical about planning, policies, and procedures. They claim "these processes weigh me down."
- Make reactive, crisis-driven decisions with little input from others.
- Hand-pick their staff. See these people as working for the founder as much as working towards the organization's mission. Count on whomever seems most loyal and accessible. Motivate by fear and guilt, often without realizing it.
- Attract board members through personal connections rather than the organization's mission. Work to remove Board members who disagrees with founder.
- Have a very difficult time letting go of the strategies that worked previously in the organization, even if they know they organization can no longer function this way.

Am I Really That Kind of Founder?

The following questions may help you search your soul and determine if you are indeed that kind of founder. If you are brave, you might ask those around you what they would answer. You may be surprised at what you learn.

- Can you say (and mean it), “When I’m gone, things will be done differently, and that’s ok”?

- Are you fighting to stay on “for the good of the organization”?

- Can you not envision what your life would be like if you didn’t have the organization to run? Is it part of who you are?

- Are you afraid that if you leave, the organization will change into something that is no longer what you want it to be?

- Can you separate the issues your organization addresses in the community from your own stake in the issues? From your stake in the organization?

- Do you use the words, “My organization,” or “My staff”?

- Do you brag about the fact that the organization "needs" you? Do you also complain about this?

Eventually, most founders realize they must change the way they operate. Many go on to develop their leadership style to the next level. First, they realize they must change from within. They:

- Understand that the problems are not their fault -- they're doing the best they can.
- Are willing to ask for and accept help.

- Communicate often and honestly (this is sometimes difficult for crisis-driven, "heroic" leaders).
- Engage in stress management.
- Are patient with themselves, their Boards, and staff.
- Regularly take time to reflect and learn, particularly about their value in service to others.

What Can Founders Do?

First, if you are the founder of a brand new organization and you are just starting out, build it right. Build it to sustain for the future. Build it as if you won't be there to see it through its life.

The major actions below are intended to help an organization become more stable and proactive. Each organization follows the practices according to its own needs and nature. They are not developed overnight and are never done perfectly. Start simple, but start!

- 1) Acknowledge that some day, you will leave the organization. The only way to ensure that your legacy is to acknowledge, right now, that you cannot be there forever. Take that to heart and be conscious of it as you plan for your organization's future. You will then likely put the needed tools in place.
- 2) Formalize the vision and values that are at the heart of the organization. Create a working mission statement and strategic plan that will guide both the board's future decisions and those made by the staff. There is nothing to say that these won't over time. But the core of what is important will remain, and that will be another part of your legacy.
- 3) Find and accept a mentor outside the organization to help you change your style of leadership. Founder's syndrome comes from doing what's natural for you. Changing your leadership approach may be rather unnatural. Seek and accept help from someone who can help you work out the personal aspects of your eventual separation from the organization.
- 4) Ensure a community-driven organization. Always focus on vulnerable children and families. Regularly ask beneficiaries what they need and how the organization can meet their needs.
- 5) Set direction through joint planning activities. Support the board and staff to

carry out strategic planning. Ensure mutual understanding of the organization's goals and strategies.

6) Conduct regular meetings to hear input from staff and volunteers. Develop staff-driven procedures for routine, but important tasks.

7) Delegate, delegate, and delegate! This can motivate staff and volunteers to meet the organization's goals. Get their input as to how the tasks can be completed. Give them the decision-making authority to complete the tasks. Celebrate their successes!

8) Guide resources to meet goals. Share management challenges with the Board and ask for policies to guide management. Work from the strategic plan and develop an associated budget to earmark funds.

9) Cultivate a strong finance committee and help them to fully understand the organization's finances and fundraising plans.

10) If you are thinking about leaving, create a succession plan that proactively deals with all the things you (or the board) is scared might happen when you leave, such as:

- Ensuring the link to the community
- Preserving the public image of the organization
- Document the institutional memory of the organization that resides inside your head.
- Continue fundraising and external relationships.

As part of your succession plan, train and mentor someone now who could replace you, even temporarily, in the event something happens to you. This doesn't mean you are going anywhere soon. You may not be leaving for the next 10 years! But find someone with whom you can share your institutional knowledge. Train them to share the load now, while you still can.

What can the Board do?

Making a change in leadership style is often confusing, lonely, and stressful for

the founder. The Board can be the founder's greatest help.

1) Understand and take full responsibility for the role of Board member. Insist on focused Board training to review the roles and responsibilities of a governing Board. Undertake a yearly self-evaluation of the Board to ensure it is operating effectively.

2) Once a year, conduct a key exercise: pretend the founder suddenly left the organization. Who will/can quickly step in? Are you sure? What activities are the staff really doing to carry out programs? In the case of nonprofits, what grants does the organization have to perform against and when report them? What is the cash flow situation? What stakeholders must be contacted? Where are the files/records?

3) Strategic planning is one of the best ways to engage the Board and take stock of the organization. Conduct regular and realistic strategic planning with the Board and staff. Focus on the top three or four issues facing the organization. Although most organizations scope plans to the coming three years, focus careful planning on the next 12 months. Establish clear goals, strategies, objectives, and timelines.

4) Develop a highly participatory finance committee. Too often, Boards are extremely reluctant to face the founder by getting involved in finances. However, troubles with a director's performance are often revealed in financial problems. If a director struggles or leaves, finances are usually the first to become major problems. Therefore, closely review regular cash flow, income and balance statements.

5) Don't be part of the problem! Don't take on the traits of the crisis-driven founder and staff, or worse yet, just ignore the issue. Meet consistently and make decisions based on mission, planning, and affordability, not on urgency. Avoid the notion of any quick fixes, such as hiring an deputy director with "people skills." This doesn't address the problem and may make things even worse.

6) Help Board members and staff to keep up their hopes through regular communication. Remind each other that the recurring problems are the result of the organization's success and that current changes are to best serve the needs of its customers. Note that staff members' morale will improve as they perceive stability, security, and progress.

7) Support the founder with ongoing encouragement and affirmation. The founder will change to the extent that he or she feels safe, understands the reasons for change, and accepts help along the way.

8) Carefully monitor implementation and deviations from plans. Don't hold the founder to always doing what's in the plan or budget -- but do hold him or her to always explaining deviations and how they can be afforded.

9) Implement performance plans for the founder. Include his or her input. Be consistent with the founder's accountability to implementing the plans or explaining deviations from them. Evaluate the founder according to meeting strategic objectives and to his or her job description.

10) Consider policies to carefully solicit feedback from staff to Board. Establish a grievance procedure where staff can approach Board about concerns if they can prove they have tried to work with the chief executive to resolve these issues.

What can staff do?

Founder's syndrome can be quite stressful for staff. They can lose motivation amidst the continued confusion and anxiety in the workplace. If they've been in the organization long enough, they, too, can become part of the problem.

Staff can also play a major role in helping the organization to recover from Founder's Syndrome. However, staff may be in somewhat of a high-risk situation because the founder (who often values loyalty at least as much as effectiveness) may perceive staff actions as hurting the organization, rather than helping it.

1) If you are electing to stay in the organization and try help it to recover, use the organization's structure. That is, communicate your suggestions with colleagues, whether that is the founder or not. Give them a chance to address your concerns. Promptly go to the Board only if symptoms of the problem result in discrimination or harassment of you.

2) Provide various suggestions from those listed in the sections for the founder and Board above. Don't provide all of the suggestions at once. Always associate your suggestions with description of how they can constructively advance the mission of the organization.

3) Don't personalize your descriptions of concerns by blaming them on someone. Always accept your own responsibility in the health of the organization. If you communicate your concerns, be respectful and tactful.

4) Monitor whether the organization is recovering or not. Have you given the

organization time to address concerns? Has the organization made substantial changes and the symptoms have decreased? Or, do you see the same symptoms over and over again?

Typical Traits of Well-Developed Leaders

Leaders of lasting, well-developed organizations have experienced numerous changes, and managed to develop their organizations and themselves along the way. Developed leaders:

- Appreciate plans and budgets as guidelines, and realize these ultimately make their organizations more responsive to the needs of their customers.
- Make proactive decisions based on mission and affordability.
- Make staffing decisions based on responsibilities, training, and capabilities.
- Value board and staff members for their strong expertise and feedback.
- Sustain strong credibility among beneficiaries and the communities they serve.

Who Me? - One Founder's Story

For me, this issue is personal.

I am a founder.

Let me write this advice - from one founder to another - as someone who has learned the hard way.

Think first about the community, which is why you created the organization in the first place.

Have you prepared the organization to survive (and dare I say thrive) without your presence? Can you think of leaving? Would the organization fall without you? If your answer is "no," then you have somehow made the organization about yourself, rather than about the community.

This may be difficult to hear - but it's not about you. It is hard to acknowledge that

no matter how much you put into nurturing the organization you founded, none of that really matters in the long-run. The sad truth is that nobody owes us anything for your sacrifices. It cannot be about your emotional needs or the recognition or gratitude you think you should get. The world doesn't owe you anything for having founded your organization.

Once you have "birthed" an organization, it is no longer your baby. Just as it is with your own children, they are their own persons. We can guide our children, teach them, nurture them - but our son or daughter is not ours. Just as it is with your own organization. So it is irresponsible to run your organization as if you will be around forever. It is simply not fair to the organization, nor to those who benefit from the work you do. The only responsible approach, therefore, is to raise this child or organization to NOT need us.

Yes, it was your vision that founded the organization in the first place. But as the organization grows, your vision isn't nearly as important as the organization's and the community's vision.

Your organization is an amazing gift for your community. But now that it is used and depended upon by others, it is no longer yours. It belongs to the community.

Just think, your greatest gift may be by inspiring others to keep your vision alive!

The content of this Newsflash was adapted from the following websites:

<http://www.managementhelp.org/misc/founders.htm>

and

http://www.help4nonprofits.com/NP_Bd_FoundersSyndrome_Art.htm

As part of the Firelight Foundation's Monitoring, Evaluation and Technical Assistance (META) Program, Firelight provides "Newsflashes" to share relevant resources and information with our active grantee-partners via weekly emails and via post on a monthly basis. We hope that by facilitating access to information for grassroots, community-focused organizations, programming for children and families, as well as organizational development, is enhanced. We welcome your comments, feedback and ideas for upcoming Newsflashes at newsletter@firelightfoundation.org.
