



# **The Interim Director in Nonprofit Arts Organizations:**

## **A Bibliography of Existing Literature, October 2004**

**By Jeremy Barr, Research Assistant, with Diane  
Grams, Associate Director, Cultural Policy Center**

University of Chicago  
**Cultural Policy Center**  
The Irving B. Harris Graduate School of  
Public Policy Studies  
1155 East 60th Street, STE 157 Chicago, IL 60637  
PH 773-834-5995 FAX 773-702-0926

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This bibliography was developed at the request of the Illinois Arts Alliance, an Illinois arts advocacy organization founded in 1982. During October 2004, Jeremy Barr, a research assistant at the Cultural Policy Center and a student at The University of Chicago, conducted a detailed search to locate information on interim directors in the nonprofit arts sector. Jeremy worked with the assistance of Diane Grams, Ph.D., Associate Director of the Cultural Policy Center. This bibliography is posted on the Cultural Policy Center's website: <http://culturalpolicy.uchicago.edu> as part of our commitment to contributing to the emerging field of cultural policy.

## **INTRODUCTION**

This bibliography was developed to assist the Illinois Arts Alliance (IAA) with the task of determining the need for a publication about interim directors specific to nonprofit arts organizations. Sources were compiled through scans of academic databases, internet search engines, information culled from consulting firms that provide interim director services for nonprofits, and recommendations from the staff of the IAA. To build the bibliography, search terms included: interim director, executive director, nonprofit management, nonprofit management change, nonprofit transition services, and nonprofit consultants.

As is evident below, there is a variety of literature available. These sources range from fully refereed journals, to a range of specialized publications by consultants, nonprofit organizations, advocacy groups, and others. Articles published by refereed journals involve teams of scholars that review and assess an article for its quality and the contribution it makes to a specific field prior to publication. While these may be relevant to a field, they may not be relevant to the every day issues faced by organizational leaders. Conversely, recommendations in specialized publications by consulting groups, while often embracing significant issues and are directed to solve specific problems, but are not always the result of systematic data collection. Furthermore, such publications may serve to endorse an individual's preferred approach to a particular problem or may even serve to promote the services of an individual or group. By presenting these references together, we seek to highlight the range of thought that is applicable to the topic of interim directors as well as highlight the need for further investigation.

## **OVERVIEW OF LISTINGS**

We found numerous practical guides highlighting three categories of thinking on the topic of interim directors:

- 1) how to identify if you need an interim director
- 2) how to use the interim period for organizational change
- 3) what steps to take to employ an interim director

Most of the information available is written to assist boards of directors as they work to effectively govern organizations. While there is extensive information available on how to secure an interim director, and there are some particular cases focusing on issues faced by large nonprofits in such transitions, there is a lack of sector specific information, particularly in relation to arts nonprofits. It is also apparent from the literature that the issue of the interim director is of increasing concern and is consequently stimulating a growth in consultant services in this area. Several issues are prompting increasing demand for interim director services:

- increasing financial constraints on nonprofits
- more frequent executive turnover
- executive directors are being increasingly judged on their ability to raise money

- organizations are forced to operate under short-term rather than long-term goals
- successful nonprofit executive directors are moving to the for profit sector
- the cohort of workers who entered the nonprofit arts in its boom period of the 1970s and 1980s are at retirement age, creating vacancies in a field with salaries and benefits that are not competitive with other nonprofit and for-profit sectors.

The bibliography is organized under the following sections:

- I. Interim Director: Filling a Short Term Leadership Gap
- II. Transitional Planning: Steps In The Process Of Leadership Change
- III. Hiring a Permanent Executive Director
- IV. Effective Nonprofit Management

These four categories serve to arrange references in sections that are specific to the topic of interim directors to those that cover increasingly broader topics of transition planning, leadership, and nonprofit management. We have included the sections II-IV as these publications provide information relevant to the issue of interim directors, while in most cases not specifically referring to that position. Within each section we order the references by type of publication: monographs, journal articles, electronic publications, newspaper articles, and pamphlets/brochures. Finally, in each category, listings are in alphabetical order by author's last name. The format for listings follows the American Sociological Association (ASA) guidelines.

## **INTERIM DIRECTOR: FILLING A SHORT TERM LEADERSHIP GAP**

This section includes references that identify resources directly relevant the topic of interim directors, such as, how to identify the need for an interim director, using an interim director as a change agent, and the steps the organization may undergo to select an interim director while managing change within the organization.

### ***Monographs***

Barrett, Helen. 1998. *Executive Grapevine: The Directory of Non-Executive Director and Interim Management Consultants*. 7<sup>th</sup> ed. London, GB: Executive Grapevine.

A directory of consultants experienced in part-time and short-term employment within the area of executive recruitment.

Russell, Dennis. 1998. *Interim Management: The New Career Choice for Senior Managers*. Boston, Mass: Butterworth-Heinemann.

Russell provides a practical guide for interim managers in the United Kingdom. The responsibilities of interim managers are outlined, as well as their role in a given organization.

Weisman, Carol and Richard I. Goldbaum. 2004. *Losing Your Executive Director Without Losing Your Way: The Nonprofit's Guide to Executive Turnover*. San-Francisco: Jossey-Bass.

The book is the most recent publication in the bibliography. It provides a practical guide to executive turnover for the nonprofit board and staff. Chapter five specifically addresses the process of appointing an interim director. The authors discuss three potential sources of interim appointees, staff members, past or current board members, and outside professionals. The pros and cons of hiring from each pool are presented and the immediate responsibilities of the interim, including analyzing the financial status of the organization and maintaining employee morale, are described.

### ***Journal Articles***

Knight, Connie. 2000. "Transition Executive Bridges the Gap During Change." *Nonprofit World* 5:11-18.

Knight argues that a transition executive officer can keep a nonprofit on message and work in partnership with its board during a period of executive turnover. Using a transition allows the board to continue functioning in their current capacities, and to identify avenues for change. The transition executive also allows the board time to make the best choice possible for a new executive director. The transition executive director ought to come from outside the organization, have a proven track record with other nonprofits, and have a positive leadership outlook.

Allison, Michael. 2002. "Into the Fire: Boards and Executive Transitions." *Nonprofit Management and Leadership* 12.

Managing the transition an organization undergoes when one chief executive leaves and another is hired is an important job for the governing board. Through consultation with twenty-eight organizations going through such transitions, one consulting group found that three characteristic threats to successful transitions for nonprofit boards emerged: (1) boards underestimate the risks and costs of bad hires; (2) boards are typically unprepared for the task; and (3) boards too often focus on the problems in hiring new CEOs and fail to make full use of the opportunities in CEO transitions.

### ***Electronic Publications***

Board Café. "When the Executive Director Leaves: The Job of the Board's Executive Transition Committee." September, 1998.

[http://www.compasspoint.org/publications/board\\_cafe/bc998.html](http://www.compasspoint.org/publications/board_cafe/bc998.html) (October 13, 2004).

(The full name for the newsletter within which this is published is "Board Café: The Electronic Newsletter Exclusively for Nonprofit Boards of Directors." From here on it is referred to only as Board Café.) This article details the responsibilities of a board of director's executive transition committee. This committee must arrange a proper exit for the current executive director, and communicate a consistent message on this departure. In some cases the hiring of an interim executive director may be called for, and in all cases an assessment of how to conduct the screening and hiring process for the new executive director.

No author. "Executive Search and Transition." Compasspoint Nonprofit Services.

[http://www4.compasspoint.org/p.asp?WebPage\\_ID=631&Profile\\_ID=130774](http://www4.compasspoint.org/p.asp?WebPage_ID=631&Profile_ID=130774)

CompassPoint provides consultation, interim executive services, and executive search resources to nonprofits in the San Francisco area.

No author. "Interim Executive Replacement." Compasspoint Nonprofit Services.

[http://www4.compasspoint.org/p.asp?WebPage\\_ID=631&Profile\\_ID=130774](http://www4.compasspoint.org/p.asp?WebPage_ID=631&Profile_ID=130774)

CompassPoint maintains a pool of experienced interim executive directors that it connects with nonprofits in search of an interim. Once interviews have been conducted and the organization has hired an interim, CompassPoint remains in contact with the organization to assure satisfaction.

Tanis, Justin. "Pastoral Search Resource for Churches." Mennonite Central Committee.

<http://www.mcccchurch.org/oldintranet/pastoralsearch2.htm>

This document outlines suggestions for changing ministers in a Mennonite congregation. Tanis advocates forming a Pastoral Search Committee to assess the need for an interim minister, and to analyze the congregation's needs in a new minister. Forms are provided to help assess these needs.

***Newspaper Articles:***

Marchetti, Domenica. 1999. "Managing Turnover at the Top." *The Chronicle of Philanthropy* June 3.

The article discusses Tim Wolfred, the founder of Executive Transitions, a San Francisco based agency that provides interim executive director support for area nonprofits. Wolfred aims not only to provide immediate executive support for his clients, but to demonstrate how the loss of a valued chief executive can serve as a long term opportunity to strengthen an organization's mission and to reassess its operations. The increasing demands placed on nonprofit executive directors, and lucrative offers from the business world have increased executive turnover in the nonprofit sector in recent years. Wolfred and his associates also distinguish their work, focused specifically on the needs of nonprofits, from the longer established industry of executive search firms in the business world.

Panepento, Peter. 2004. "Clamoring for Consultants." *The Chronicle of Philanthropy*. March 18.

This article details the increasing demand on the part of nonprofit agencies for consultants in 2002. The economic upturn following the 2001 recession prompted nonprofits that had cut their budgets the previous year to seek out new avenues for fundraising and future growth. Consultants were also being sought for board development and leadership coaching. In addition executive search and executive transition services were in high demand. The article notes that CompassPoint, now one of the largest interim service providers in the country, had no interim program as late as 2001. By 2003 it was placing approximately 40 interim directors per year.

***Pamphlets***

Adams, Tom. 2004. "Capturing the Power of Leadership Change: Using Executive Transition Services to Strengthen Organizational Capacity." Baltimore, MD: The Annie E. Casey Foundation.

The aging of the baby boomer generation will entail increasing turnover in nonprofit leadership positions. Adams suggests that this turnover represents an opportunity for leaders of color, and those with demonstrated competence in cultural diversity to assume a newfound voice in the nonprofit sector. The Casey Foundation currently is developing a service mechanism to provide executive transition services to select organizations.

## **TRANSITIONAL PLANNING: STEPS IN THE PROCESS OF LEADERSHIP CHANGE**

This section contains references focused on planning for a transition that may or may not include hiring an interim director. These listings contain useful advice that may be applied in an interim director transition.

### ***Journal Articles:***

Adams, Tom. 1998. "Executive Transitions: How Boards and Executives Create Their Futures." *Nonprofit World* 3:48-52.

This article contains practical tips for executives and boards in the process of executive director transition based on a 5 year field research study by the Neighborhood Reinvestment Corporation in Washington, D.C. During the study NRC worked with 10 nonprofits and consulted with an additional 40. From lessons learned in this study NRC increased the average tenure of executive directors at its 177 affiliate organizations from 4.3 years in 1990, to 5.7 years in 1995. The chief lessons are taking time to clarify how the transition can benefit the organization, adequately completing every stage of the transition, and identifying the type of transition occurring.

Rosenfeld L. and H. Friedman. 2004. "Succession Planning in Closely Held Business." *Compensation and Benefits Review* 4:63-66.

Wolfred, Tim 2002. "Stepping Up: A Board's Challenge in Leadership Transition." *The Nonprofit Quarterly* 4:1-5.

This article discusses the activities a board must undertake during an executive transition, and the opportunities the transition provides for improving the organization. The first project entails redefining and articulating the non-profit's vision. The board must then seek input from staff and key funders to better understand their perspectives and concerns. In addition, a suggestion is made that an orientation and support committee succeed the search committee to help the new executive director adapt to his or her new role.

### ***Electronic Publication***

McNamara, Carter. 1999. "Guidelines for Hiring/ Transitioning to a New Chief Executive in Nonprofit or For-Profit Corporations."  
[http://www.mapnp.org/library/boards/ed\\_xtion.htm](http://www.mapnp.org/library/boards/ed_xtion.htm) (October 13, 2004).

A general outline for boards and executive directors to use when in the process of hiring a new chief executive. First, a financial/contractual agreement must be reached between the departing executive and the board. The board must then form a committee to plan the transition and inform the staff and funders accordingly. After hiring is complete the board must take responsibility for orienting the new executive successfully.

No Author. "Succession Planning." Compasspoint Nonprofit Services.  
[http://www4.compasspoint.org/p.asp?WebPage\\_ID=631&Profile\\_ID=13077459](http://www4.compasspoint.org/p.asp?WebPage_ID=631&Profile_ID=13077459) (October 13, 2004).

Service is provided to help long tenured or founding executive directors plan their departure in a manner that prepares their organization for future success. Compasspoint recommends the development of both a long term, and an emergency plan.

Technical Assistance for Community Services. 2004. "Executive Transition Services."  
<http://tacs.org/service/dirtemplate.asp?pID=37> (October 13, 2004).

Based on the work of similar groups in San Francisco, TACS helps nonprofits in the Portland metropolitan area find interim directors, search for a new executive director, or offer assistance in times of transition.

Wolfred Tim. 2001. "Executive Leadership Services: Emergency Succession Plan."  
Compasspoint Nonprofit Services. <http://www4.compasspoint.org> (October 20, 2004).

This is a procedural template for succession planning available in PDF format from Compasspoint Nonprofit Services. Like a template for bylaws or board recruitment, this template provides steps with fill-in-the blank areas to personalize it a specific organization, committee, or individual.

### ***Pamphlets***

Redington, E. and Vickers D. 2001. *Following the Leader: A Guide for Planning Founding Director Transition. Leadership Report No. 1.* Columbus: The Academy for Leadership and Governance.

This is a guide and with template forms to structure a transition from a founding director.

## **HIRING A PERMANENT EXECUTIVE DIRECTOR**

This section contains references focused on the broader topic of searching for and hiring a permanent director. These listings contain useful advice that may be applied in an interim director transition.

### ***Monographs:***

Albert, Sheila. 1993. *Hiring the Chief Executive: A Practical Guide to the Search and Selection Process*. Washington, DC: National Center for Nonprofit Boards.

Tessier, Oliver and Charles F. Dambach. 2002. *Managing Change: Lessons Learned From Nonprofit Leaders*. Washington DC: Boardsource.

This text contains advice from a diverse set of nonprofit leaders regarding chief executive transition, reorganization, affiliation or merger, and expansion or re-branding. Each section contains an examination of key issues, case studies, and suggestions for practical improvements.

### ***Electronic Publications***

Board Café. 1998. "Untitled March 10, 1998".

[http://www.compasspoint.org/publications/board\\_cafe/bc398.html](http://www.compasspoint.org/publications/board_cafe/bc398.html) (October, 13 2004).

This article features a discussion of what happens when a board, over a period of time, discovers the need to replace an executive director. The first step detailed is for the board to form a committee designed to uncover sources of discontent with the executive director. Either the board may choose to form a committee to more closely supervise the executive director, or it may request a resignation. If a resignation occurs, the board must formulate a clear explanation of the resignation to communicate to staff and funders.

Masaoka, Joan. 1994-5. "Do Boards Ever Fire Executive Directors? If so... How?"

<http://www.nonprofits.org/npafaq/03/18.html> (October 13, 2004).

McNamara, Carter. 1999. "Founder's Syndrome: How Corporations Suffer- and Can Recover (for Nonprofit or For-Profit Organizations)."

<http://www.managementhelp.org/misc/founders.htm> (October 13, 2004).

Pfau, Sandra K. "Four Critical Aspects of Negotiating CEO Employment Contracts."

1996. <http://www.nonprofitlaw.com/4critical.shtml> (October 13, 2004).

## EFFECTIVE NONPROFIT MANAGEMENT

This section contains references focused on the broadest topic of successful nonprofit management. These listings contain useful advice that may be applied in an interim director transition.

### ***Monographs:***

Knauft, E. B., Renee A. Berger and Sandra T. Gray. 1991. *Profiles of Excellence: Achieving Success in the Nonprofit Sector*. San Francisco: Jossey-Bass.

This text discusses the four principle factors that enable nonprofits to maintain success: a clear mission statement, responsive leadership, an effective board of directors, and success at drawing donors and volunteers. Discussion occurs through 10 case studies of nonprofits in various fields.

Smith, Bucklin and Associates. 2002. *The Complete Guide to Nonprofit Management*. New York: Wiley and Co.

This book provides a broader guideline on the intersections among the various levels of management in nonprofits.

Ward, Andrew. 2002. *The Leadership Lifecycle: Matching Leaders to Evolving Organizations*. New York: Palgrave Macmillan.

This book analyzes the components of effective and ineffective leadership at different stages in an organization's development.

### ***Journal Articles:***

Contente, William. 2002. "Reviewing the CEO: A Guide for Nonprofit Boards." *Nonprofit World* 6:32-35.

This article presents an analysis of how nonprofit boards ought to conduct annual assessments of their executive director. The first set of questions include asking about the effectiveness of programs, meeting fundraising goals, perception in the community, the effectiveness of senior management, and organizational progress. Effective planning of this review requires polling current staff, careful planning, looking for problems, gathering input from current officers, gathering input from major funders, acquiring feedback from the executive director, and setting future goals.

Kohm, Amelia. 2002. "What Happens When Nonprofits Consolidate: (Either Partially or All the Way)?" *Nonprofit World* 3:24-29.

The article provides a discussion of nonprofit mergers. A distinction is drawn between alliances, in which both organizations essentially maintain their autonomy, and integrations, in which a genuine merger occurs.

Kunreuther, F. 2003. "The Changing of the Guard: What Generational Differences Tell Us About Social Change Organizations." *Nonprofit and Voluntary Sector Quarterly* 8:450-457.

Leach, M. A. L. 2001. "Knowledge Building: Developing Employees Through Education." *International Journal of Value-Based Management* 10:150-156.

National Center for Nonprofit Boards. May 1997. "Crisis or Opportunity." *Board Member* 6.

Rosenberg, Ron. 2003. "Match Your Change Strategy to Your Organization's Maturity." *Nonprofit World* 5:19-20.

Santora, Joseph C. 2004. "Are You Ready?: Here are Rules Every CEO Should Keep in Mind." *Nonprofit World* 4:21.

Surveys indicate that fewer than 50% of nonprofits plan for leadership succession. This article argues that a successor should be chosen at an early stage, given leadership responsibilities at a gradual rate and provided with vital information specific to the organization. A suggestion is also made that the old executive director ought to have minimal input in the organization after he or she has left to ease the transition.

Tecker, Glenn H. and Catherine Downes Bower. 1992. "Why Good Executives Get Fired." *Association Management* December: 32-40.

Temkin, Terry 1997. "Evaluating the Top Administrator: A New Approach." *Nonprofit World* 4:14-17.

This paper seeks to identify new means of evaluating executive directors. Problems with current evaluation techniques include multiple overlapping expectations, unwillingness to impartially judge, the inadequacy of current evaluative tools, and the process of attempting to break down an individual's activities into compartmentalized units. Temkin instead suggests clarifying expectations between the executive director and board, shaping criteria to the strengths of the individual, and valuing quality over quantity in achieving the organization's goals.

Yong Wang, David Watkins, Neil Harris, and Keith Spicer. 2004. "The Relationship Between Succession Issues and Business Performance: Evidence from UK Family SMEs." *International Journal of Entrepreneurial Behavior and Research* 26:59-84.

#### **Newspaper Articles:**

Cohen, Todd. 2002. "Nonprofit Center Emerging." *Philanthropy Journal* September 13.

North Carolina State University is opening an interdisciplinary center to support both undergrad and graduate studies in general nonprofit studies, nonprofit

executive education and nonprofit research. The center is designed specifically to address the needs of North Carolina nonprofits.

Cohen, Todd. 2004. "Moving Ahead." *Philanthropy Journal* June 7.

Dickey, Marilyn. 2004 "New World Order." *The Chronicle of Philanthropy*. September 2, 2004.

This article discusses the merger of the World Federalist Organization with the Campaign for U.N. Reform into Citizens for Global Solutions.

Twohey, Meghan. 2004. "Institute Aims to Aid Nonprofit Groups." *Milwaukee Journal Sentinel* August 2.

The University of Wisconsin-Parkside plans to open a new institute to support nonprofits in Racine and Kenosha counties. The center hopes to provide business training for nonprofit managers, as well as funding and other forms of assistance for area nonprofits.

About some of the sources:

*Nonprofit World* is a multi-volume journal published by the Society for Nonprofit Organizations (SNPO). It is available on line at <http://www.snpo.org/publications/articles.php>.

*Nonprofit Management and Leadership* is a multi-volume, refereed journal produced through the Mandel Center for Nonprofit Organizations at Case Western Reserve University. It is available on line at <http://www.cwru.edu/mandelcenter/index.html>. It is available in print through Jossey-Bass, an imprint of John Wiley and Sons. Jossey-Bass, at [www.josseybass.com](http://www.josseybass.com).

*Nonprofit and Voluntary Sector Quarterly*, is a multi-volume refereed journal sponsored by the Association for Research on Nonprofit Organizations and Voluntary Action (ARNOVA). It is available on line at <http://www.arnova.org/nvsq.php>. It is available in print through Sage Publications at <http://www.sagepub.com/>.

*BoardSource* is a website of the National Center for Nonprofit Boards (NCNB), a Washington, D.C.- based nonprofit organization that publishes a range of articles and guides designed to assist boards and paid staff leaders in nonprofit governance and management. It is available at <http://www.ncnb.org/>.