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# Nonprofit Sustainability: How Does Departure of a Founding Leader Impact Outcomes?

Lauren McIndoo  
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# Walden University

College of Social and Behavioral Sciences

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Walden University  
2017

Abstract

Nonprofit Sustainability: How Does Departure of a Founding Leader Impact Outcomes?

by

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M.S., Syracuse University, 1994

B.A., State University of New York at Buffalo, 1991

Dissertation Submitted in Partial Fulfillment

of the Requirements for the Degree of

Doctor of Philosophy

Public Policy and Administration

Walden University

November 2017

## Abstract

There is a high failure rate among local community-based nonprofit human service organizations in New York State, which may lead to service gaps in communities. Increasing sustainability may reduce these gaps and allow nonprofits to continue following the first leadership transition. Using McGregor's human resource theory as the guide, the purpose of this phenomenological study was to explore the relationship between leadership succession planning and how departure of founding leaders impacts the sustainability of nonprofits. Data were collected through interviews with 16 leaders that included departing founding leaders, successors, and 2 board members in 4 local community-based nonprofit human service organizations in New York State, regarding the impact of the founder's departure on (a) leadership, (b) motivation, (c) teamwork, (d) power balance, (e) work environment, and (f) organizational change. Interview data were inductively coded and analyzed using a thematic analysis procedure. The results yielded 4 thematic elements that contributed to successful outcomes: (a) strengthening accountability to balance power, (b) individual versus collaborative leadership to increase shared governance, (c) assessing and developing competencies to efficiently use human resources, and (d) ability to conceptualize change and plan for the future. The results of this research study may help to contribute to positive social change by offering the leaders of local community-based nonprofit human service organizations strategies to sustain their organizational culture during and following their first leadership transition, involving the departure of the founder, allowing the organizations to continue to contribute positively to the community.

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## Dedication

In grateful dedication to my mother, Gail MacCleverty, for always believing in me and supporting me, and for encouraging me to be the best version of myself possible.

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## Chapter 1: Introduction to the Study

Leadership succession planning requires an investment of time and energy in order for an organizational culture to be sustainable. When a long-term founding leader departs from a local community-based nonprofit human services organization, it is critical that proper planning occurs (Gothard & Austin, 2013). There is a high rate of failure among this group of organizations, with approximately 58% of the nonprofits in New York State reporting failure during 2015 (Nonprofit Finance Fund, 2015). A suspected cause for many of these failures is poor leadership succession planning (Gothard & Austin, 2013; Santora, Sarros, & Esposito, 2013). Founding leaders are emotionally connected to their organizations, and maximizing their commitment to the organizational cultural sustainability will help to improve outcomes during leadership succession processes, including maintenance of shared meaning and purpose for the organization, continued adherence to mission, vision and goals, adaptability to change, shared power of teams, and perceived positive outcomes.

This qualitative phenomenological study will be conducted to explore the perceptions and processes involved with leadership succession planning and implementation. Departing founding leaders will be interviewed, along with successive leaders and board members, and outcomes and relationships will be discussed. This study may have implications for future research, particularly regarding how founders may continue to play a positive role without interfering with new leadership and progress for the organization.

Chapter 1 of this study describes the background of the problem, and includes the problem statement and the study's purpose. The chapter also describes the nature of the study, defines key terms, provides assumptions, explains scope and delimitations, discusses limitations, and addresses the social significance of the study.

### **Background of the Study**

Founder's syndrome, which is described by Block and Rosenberg (2002) as a situation in which there is a certain power or privilege that is attributed to the founder and that this may impact organizations in unhealthy ways. Block and Rosenberg provided some early descriptions of the effects of founder's syndrome and how it can affect organizational outcomes and sustainability, and discussed how different types of leaders (other than founders) can make significant contributions that may help prevent nonprofit failure. The founders of nonprofit human service organizations are often strong and driven, and deeply committed to their cause or mission. While this can often lead to the successful running of a nonprofit organization, the effects of a founding leader potentially exploiting their power to influence their organizations can present risks to the sustainability of the organization, particularly when the founding leader departs (Block & Rosenberg, 2002). Boyne, James, John, and Petrovsky (2011) considered how organizational performance is affected during leadership transitions, and how it is important to recognize this when an organizational culture is threatened by the departure of a founding leader. As it is often the nonprofit founder who is most committed to the mission and vision, threats to organizational identity can affect the success of the leadership transition process and the sustainability of the organization (Hayek, Williams,

Taneja, & Salem, 2015). Founding leaders who emphasize the contributions of the organization and the importance of the organizational culture are more likely to influence a successful leadership transition (Boyne et al., 2011).

Kearns, Livingston, Scherer, and McShane (2015) explored the perceived hierarchical importance of various leadership skills as perceived by the leaders. They found that leaders valued interpersonal skills most, with the majority of leaders interviewed ranking these skills highest (of the three main categories of interpersonal, technical, and conceptual skills). Like Boyne et al. (2011), Kearns et al. showed how the skills of the leader, and also the skills of potential successors, should be carefully considered during any leadership transition. This is relevant to the research questions for the current study because the study is being conducted to explore the perceptions and experiences of founding and successive leaders, and an understanding of factors that are perceived as most important can contribute to the development of interview protocols for the study and eventual coding categories. Planning for executive succession is not always part of the strategic planning for a nonprofit organization, though research has shown that those organizations that plan proactively for succession have a greater rate of sustainability (Froelich, McKee, & Rathge, 2011; Santora, Sarros, Bozer, Esposito, & Bassi, 2015). Particularly during a transition involving the departure of a founding leader, consideration of the best match for the organization, the mission and vision, and the culture of the organization are imperative.

Nonprofit organizations often fail to survive their first leadership transition. Hayek et al. (2015) discussed that when leaders place a high value on the contribution of

the organization, effective succession is more likely. English and Peters (2011) examined issues related to female-run organizations, and how organizational identity is threatened during leadership transition. English and Peters found that not only founder's syndrome, but also stereotypical feminist traits affected the sustainability of organizations during transition. With the governance of an organization in question during a leadership transition, it is important to balance the power such that leaders include the voices of the members in how decisions are made, and that relationship building is a primary issue during the leadership transition phase. This is consistent with the findings of Kearns et al. (2015), who concluded that interpersonal skills were critical to the trust building and effective communication that is required during any transition, especially a leadership transition, and especially when considering the importance of maintaining organizational cultural stability.

When it comes to effective communication, leaders and members must collaborate so that departing leaders can share their knowledge and experience in a manner that helps successive leaders and remaining members continue to operate the organization successfully, thereby sustaining the culture and ensuring continued adherence to the shared mission, vision, and goals. Peet (2012) discussed how tacit knowledge of departing leaders can be delivered to successive leaders and remaining members in only four carefully structured interviews, and that this tacit knowledge, when delivered to the right recipients, can lead to positive outcomes and creative generativity within organizations, which is explained as the process by which tacit knowledge of departing leaders is blended with new ideas to modify and enrich the organizational



culture. According to Allen, Smith, and Da Silva (2013), transformational leaders who are able to lead organizations through major changes by convincing members that the organization is ready for the change will contribute positively to sustainability. When change is viewed positively, organizational cultures remain more stable. Leadership succession presents a major challenge to the organizational structure and culture, and the leaders who are best able to keep productivity and morale among members high, using effective communication and transparency, are more likely to have organizations remain sustainable. Transformational leaders are more likely to have this effect on the organization members, which can contribute to organizational sustainability (Allen et al., 2013).

McMurray, Islam, Sarros, and Pirola-Merlo (2012) discussed the relationship of leadership style on the overall climate within organizations, and studied how performance was affected by the climate. McMurray et al. found that transactional leadership models had a more positive effect on performance and suggested that in some nonprofit organizations, leaders rely more on being told what to do. This is contrary to the findings reported in other studies that have reported better communication and better performance with transformational leadership styles by improving motivation for public service and increasing organizational commitment to the mission and vision (Allen et al., 2013; Peet, 2012; Wright & Moynihan, 2012). Understanding how leadership styles affect organizational culture is important when considering the effects of the departure of a long-term founding leader of a successful nonprofit organization on the sustainability of that organization.

This study addresses how the specific behaviors of departing founding leaders of community-based nonprofit human service organizations contribute to organizational cultural sustainability and affect the experiences of the successive leader as well as remaining members of the organization. Results of this study will help improve sustainability of nonprofit organizations during and following major leadership transitions.

### **Problem Statement**

There is a problem with the sustainability of nonprofit human service organizations in New York State. Despite longstanding success, with more than 80% of the nonprofits surveyed existing for more than 25 years, failure is occurring, negatively impacting communities because needs remain unmet when nonprofits fail. According to the Nonprofit Finance Fund (2015), approximately 58% of nonprofit human services organizations in New York State were expected to be unable to meet the needs of the communities they serve during 2015 and beyond. A possible cause of this problem is poor leadership succession planning (English & Peters, 2011; Gothard & Austin, 2013; Santora et al., 2013). A study that investigates effective leadership succession planning and how departure of founding leaders affects the sustainability of nonprofit organizations may help to clarify and remedy the situation.

Data collected and analyzed by the Nonprofit Finance Fund (2015) has demonstrated that nonprofit sustainability has become a more significant issue in recent years, but the solution is unresolved. In order to address nonprofit sustainability, it is necessary to know more about the effects of founder's syndrome. There is a gap in the

literature when it comes to establishing a clear connection between the direct effects of founder's syndrome on the organizational culture and the high rate of failure for nonprofit organizations. Founder's syndrome, according to Block and Rosenberg (2002), refers to the relationship between the power and influence of the founding members of organizations and the success of the organization as a result of this influence. With many nonprofit organizations having a culture that is closely associated with the actions or even the personality of the founder, it is critical to recognize the contributions, the rich history, and the emotional relationship that exists between the founder and the organization. The effects of this phenomenon should be carefully considered during periods of leadership transition. For these nonprofit organizations that have been successful for decades, and the expected record numbers of founding leaders nearing retirement age (Gothard & Austin, 2013), exploration and definition of this problem may help to improve outcomes, allowing community needs that are not covered by public organizations to continue to be adequately met.

### **Purpose of the Study**

The purpose of this qualitative study was to understand the impact of the departure of founders on the sustainability of the organizational culture of community-based nonprofit human service organizations. In order to address nonprofit sustainability, it is necessary to know more about the effects of founder's syndrome. To explore how the departure of a founding leader impacts organizational culture and sustainability and adherence to the mission and vision, qualitative methods with a phenomenological approach were used to identify relevant factors that are perceived as important by those

affected by the departure of a founding leader. Interviews were conducted to gather information, which was then analyzed to identify patterns that help explain how the departure of a founding leader may affect nonprofit organizational sustainability.

### **Research Questions**

The research questions for this qualitative study were as follows:

*RQ1:* How do leaders of community-based nonprofit human service organizations (the founder [ED/CEO], successor, and board members) perceive the departure of a founding leader as impacting the organizational culture?

*RQ2:* What actions has the departing founder leader taken during the leadership transition process that impact the organizational culture (either positively or negatively)?

These research questions focused on understanding the perceptions and experiences of those nonprofit leaders and members who are most directly involved in the leadership succession process. By identifying the factors that these members consider to be helpful for sustainability or related to the failure of the organization, it may be possible to identify processes that can better ensure sustainability of the organizational culture of nonprofits during leadership succession processes involving the departure of a founding leader.

### **Theoretical Foundation**

The theoretical framework that guided this study was the human resource theory (HRT) described by McGregor (1957), also commonly referred to as organizational behavioral theory. HRT examines the behaviors of people within organizations and how those behaviors affect the organizational culture and structure (Shafritz, Ott, & Jang,

2016). Shafritz et al. (2016) discussed how the origination of the theory derives from some early writings by M. Parker Follett in 1926 (as cited in Shafritz et al., 2016 and eventually furthered by Argyris in 1970 (as cited by Shafritz et al., 2016). This theory has been well-explained and developed, and has contributed to changing views of organizations from institutions that cause certain behaviors in people to institutions that are comprised of and function because of certain behaviors in people. McGregor (1957) explained the contrast using Theory X and Theory Y as two opposing styles of organizational structure. Theory X assumes that managerial assumptions can cause certain behaviors, while Theory Y assumes that people behave in certain ways because they are satisfied by their involvement and contribution to the organization and want to work toward success.

The departure of founding leaders may affect the ability of nonprofit organizations to remain viable. Within the HRT, primary themes include leadership, motivation, teamwork, work environment, power, and organizational change, and this theoretical framework provided a structure for exploring the variety of factors that may be impacting the sustainability of nonprofits, particularly during tumultuous periods such as leadership succession processes. HRT is based on certain assumptions, including that organizations exist to meet human needs, organizations and people need each other, and it is critical to maximize human resources, efforts, and energy. Often this is accomplished through building trust and boosting motivation by meeting critical needs. These factors are necessary for nonprofit organizational sustainability. Within HRT, concepts that are related to motivation theory are also addressed, which is significant to the discussion of

nonprofit sustainability because it is often the organization's ability to meet the needs of the members that keep the organization viable, and this is considerably relevant during leadership transitions.

HRT was an appropriate theoretical framework for the study because utilization of human resources and management of the behavior of those within the organization will affect the sustainability. This study was conducted to explore the effects of the departure of a founding leader on the organization, specifically how the various members involved in a leadership transition perceive the process. Using HRT as a theoretical framework was useful for development of interview protocols and questions, because of the relationship between management, control, power, and human behavior (McGregor, 1960). Because this qualitative research was conducted with the intention of gaining insights and understanding the perceptions of the involved individuals, using the HRT framework helped to guide the research by focusing on the relationship between management and behavior, specifically the control, motivation, power balance, and how human behavior can affect the outcomes.

### **Nature of the Study**

This qualitative study was conducted using a phenomenological approach by exploring the lived experiences and perceptions of those affected by the departure of a founding leader from a community-based human services nonprofit organization. For the purposes of this study, those affected included founding leaders, successive leaders, and board members who have participated in and experienced the leadership succession process. A phenomenological approach is consistent with the complex nature of the

perceptions and experiences that may be part of the leadership succession process, which is the primary focus of this dissertation.

Using a phenomenological approach and purposeful sampling procedures, a homogenous sample of organizations that had specific commonalities was sought. From this sample, four different local community-based nonprofit human service organizations were purposefully selected. Within each organization, founding leaders, successive leaders, and two board members were interviewed. Subjects were interviewed using open-ended interview questions to collect data. The sample size for the study included four different participants from four different organizations, totaling 16 subjects. Patton (2015) suggested using a sample size between 10-20 for a qualitative study and cautioned that quality is more critical than quantity. It is noted that saturation was met within the proposed sample size. The sample was selected by first investigating the community-based nonprofit human service organizations that fit the criteria for the sample, and was flexible as inquiry deepened and information from the in-depth interviews emerged that may have affected the appropriateness of the sample size in relation to the available population. Interviewees were selected based on their participation in a community-based nonprofit human service organization that has experienced a leadership transition (with the departure of a founding leader) within the past three years.

Purposeful sampling can help improve quality by providing rich information, which helps to describe the systems being explored. Although face-to-face interviews were preferred, it was necessary to conduct some of the interviews via telephone. Interviews were structured using the researcher-developed instrument, Nonprofit

Sustainability Interview Protocol, but were conducted to allow for follow up questions, additional probes, and clarification. Interview questions were presented to participants prior to the interviews for review and reflection. All interviews were recorded, pending participant agreement, and transcribed. Transcriptions were made available to participants for review, to ensure accuracy and allow for further data collection, if appropriate. Data were subsequently coded and analyzed, using hand coding with fracturing methods and precoding structures initially (Maxwell, 2013), and a constant comparison method to ensure flexibility and completeness of the coding structure. Codes and categories developed through hand coding were then analyzed using NVivo software, with comparisons and conclusions drawn from the patterns identified by the software.

### **Definitions**

*Organizational cultural sustainability:* For the purposes of this study, organizational cultural sustainability shall be defined as maintenance of a shared meaning and purpose for the organization, continued adherence to mission and vision, adaptability to change, shared power of teams, and perceived positive outcomes.

*Human service organizations:* Organizations that exist with the purpose of improving, remediating, and improving the problems related to human needs within a community (National Organization for Human Services, n.d.).

### **Assumptions**

The primary assumption for this study was that interview subjects would provide accurate and honest responses to the questions presented. It was assumed that it would be possible to identify participants willing to openly share information related to their



experiences and perceptions. Obtaining rich data was necessary for completing the study and having meaningful results. It is also assumed that the researcher would set aside biases adequately to conduct the study. In doing so, results and conclusions are more appropriate for generalization and more likely to contribute to positive social change for nonprofit organizations.

Another assumption is that when succession is required, an interim leader may possibly be appointed with the expectation of failure, particularly when the founding leader has held the position and led the organization as a sole leader for many years. This assumption is based on the potential for founder's syndrome to have negative effects during leadership succession processes. By exploring the effects of the departing founding leader on the sustainability of the organization, it is expected that processes for avoiding this practice may be identified, leading to more positive outcomes.

### **Scope and Delimitations**

The scope of this study was to examine the effects of a departing founding leader on the organizational cultural sustainability of local community-based nonprofit human service organizations. Because of the high rate of failure among nonprofit organizations, it is important to explore whether or not the departure of a founding leader significantly affects the organization. This study was conducted to examine the factors that may potentially lead to favorable or unfavorable outcomes during leadership succession processes. The study included founding leaders, successive leaders, and board members from four organizations. The study did not include members of the community potentially affected by the sustainability of the organization.

The study was conducted with a theoretical framework of HRT (McGregor, 1960), which examines the concepts of leadership, motivation, teamwork, work environment, power, and organizational change, all of which are assumed to play a significant role during leadership succession planning and implementation, as well as other chaotic times for the organization. Other theoretical frameworks considered include motivational theory, leadership theory, transformational leadership, and expectancy theory. Each of these theories would help address the concepts being explored in the study; however, it was felt that HRT best incorporated the key concepts from each of these theories, including the relationship between leaders and followers, the relationship between the organization and the leaders, and the relationship between the organization and the followers. The study focused on nonprofit community based human service organizations. It did not include larger nationally-based nonprofit organizations or organizations outside of the human services category.

### **Limitations**

The study was limited by my ability to gather enough diverse information from a group of participants with similar experiences. The study was designed to explore the perceptions and experiences of a specific group, but I was limited by the available participants at the time that sampling was conducted. Unless a diverse group of participants could be identified, transferability of study outcomes and generalization could be limited. Limiting the sample to local community-based nonprofit organizations may also have resulted in outcomes that have limited meaning to larger groups. It was important to include adequate general and specific interview questions to gather the

richest data possible, allow for the deepest comparisons and contrasts, and improve generalization. By ensuring that each participant was asked the same questions, it is expected that these limitations can be adequately addressed. Additionally, I have personally been involved in the leadership transition process for a public organization. As a result, I have personal perceptions and experiences that may potentially present a bias regarding the actions and behaviors of founding leaders, successive leaders, and organization members. Journaling throughout the research process, using peer critique, and maintaining awareness of the potential for bias helped to mitigate the effects of any potential bias.

### **Significance of the Study**

This research addresses a gap in the understanding of the possible correlation between the direct effects of founder's syndrome on the organizational culture and the high rate of failure for nonprofit organizations. For these nonprofit organizations that have been successful for decades, and given the expected record numbers of founding leaders nearing retirement age (Gothard & Austin, 2013), exploration and definition of this problem can help to improve outcomes, allowing community needs that are not covered by public organizations to continue to be met by nonprofit human service organizations when greater sustainability for nonprofit organizations is realized. Insights obtained from this study will contribute to positive social change by providing data and information to paid and volunteer organizational leadership that may lead to improved sustainability of community-based nonprofit human services organizations. This

improved sustainability may help to decrease service gaps in communities left by nonprofit failure resulting from the departure of a founding leader.

### **Significance to Practice**

This study may potentially contribute to the increased sustainability of nonprofit organizations following the departure of a founding leader. By identifying the patterns that may help or hinder continuity of the organizational culture that had previously been successful and allowed the organization to contribute to the community in a positive manner, other nonprofit human service organizations can benefit from learning about the experiences of organizations that have successfully transitioned. Additionally, an understanding of how organizations may fail as a result of the effects of the departure of a founding leader who had been personally connected and invested in the organization may be helpful.

### **Significance to Theory**

When considering the significance of this study and the potential contributions to the development of HRT, McGregor's (1957) explanation of the organizational shift from institutions causing certain behaviors in people to institutions being affected by and functioning well because of certain behaviors in people will be applied. By further examining how managerial assumptions affect the culture of an organization, and therefore, ultimately, the sustainability, the effects of the departure of a founding leader may be relevant. Exploring the effects of founder's syndrome allowed for some revelations regarding the effects of the founder's behavior during a leadership transition on the satisfaction and behavior of others within an organization.

### **Significance to Social Change**

This research study has implications for positive social change by improving the understanding of how founder's syndrome may affect the organizational culture and sustainability of community-based nonprofit human service organizations. Because communities rely on the services provided by these organizations, community needs remain unmet when nonprofits fail. The actions and behaviors of the founding leader, the successive leader, and the other members of the organization all are expected to affect the success of a leadership transition. It is intended that the results of this study will assist with the identification of patterns that can be used by leaders to create or modify related policies and actions for improved nonprofit cultural sustainability. The identification of patterns can help to clarify the strategies and techniques that are most likely to lead to successful outcomes. Decreasing the incidence of service gaps in communities will help improve the delivery of those services and contribute to positive social change.

### **Summary and Transition**

The purpose of this study was to explore the effects of the departure of a founding leader on the sustainability of a nonprofit organization. By examining the effects of founder's syndrome on the organizational culture or nonprofit organizations, particularly during periods of leadership transition, patterns that affect organizational cultural sustainability emerged. Purposeful random sampling was used to identify appropriate participants for this qualitative phenomenological study, which used primarily open-ended interviews to collect data. Understanding how the departure of founding leaders has affected successful nonprofits, as well as how the departure of founding leaders may

have led to the failure of some nonprofit community-based human service organizations will help to improve outcomes and help those involved in nonprofit leadership transitions better navigate the process and remain successful.

Chapter 2 will provide a literature review that will describe in detail the characteristics of founder's syndrome, the processes by which leadership transitions occur in nonprofit organizations, the factors that affect the organizational culture, and information and current knowledge regarding best practices for leadership transition from founding leader to successive leader.

## Chapter 2: Literature Review

The problem with sustainability of nonprofit human service organizations in New York State has reached significant proportions. Despite longstanding success, more than 80% of the nonprofits surveyed by the Nonprofit Finance Fund (2015) reported failure occurring at an alarming rate. The negative impact on communities is significant because failure of nonprofit organizations means that society's needs are unmet. This literature review will explore the following topics: founder's syndrome, organizational culture, organizational sustainability, and the relationship between nonprofit organizations and leadership transitions.

In order to address nonprofit sustainability, it is necessary to know more about the effects of founder's syndrome. There is a gap in the literature when it comes to establishing a clear connection between the direct effects of founder's syndrome on the organizational culture and the high rate of failure for nonprofit organizations. Founders of nonprofit organizations contribute to the rich history and culture of the organizations, and often have a highly emotional relationship with the organization. The effects of this phenomenon should be carefully considered during periods of leadership transition. The purpose of this qualitative study was to understand the impact of the departure of founders on the sustainability of the organizational culture of community-based nonprofit human service organizations. To explore how the departure of a founding leader impacts organizational culture and sustainability, as well as adherence to the mission and vision, qualitative methods with a phenomenological approach were used to explore factors identified by those affected by the departure of a founding leader.

### **Literature Search Strategy**

Numerous library databases containing public administration, management, and nonprofit organization articles, as well as various search engines, were used for the background research for this dissertation. Library databases included the Walden University Library, ProQuest, Business Source Complete, ABI INFORM Complete, SAGE Premier, and EBSCO Host. Search engines included Google Scholar, Google, Bing, Education Research Information Center (ERIC), and RefSeek.

### **Key Search Terms and Combinations**

Key search terms and combinations of search terms included: *Founders syndrome, Nonprofit organizations, Nonprofit organizations and leadership, Leadership succession, Leadership transition, Nonprofit organizations and leadership and transition, Nonprofit sustainability, Organizational culture, Organizational sustainability, Third sector sustainability, Nonprofit succession planning, Nonprofit management, Sustainability of nonprofit organizations, Leadership and organizational culture, and Transformational leadership and organizational culture.*

Throughout the search process, many research articles were discovered, though most of the research identified was less current than required for this literature review. Articles and studies published since 2012 were reviewed and integrated, and essential background and pertinent older research studies and articles were included as well to develop greater depth on the topic. The iterative search process included searching for multiple keywords and combinations of keywords and phrases throughout multiple databases to determine that an exhaustive review could be presented.



## **Theoretical Foundation**

The main theoretical framework for this study was HRT, described by McGregor (1957), also commonly referred to as organizational behavioral theory, which examines the behavior of people within organizations and how that affects the organizational culture and structure (Shafritz et al., 2016). The principle ideas of HRT involve themes of leadership, motivation, how people work in teams, effects of the work environment, power, influence, and organizational change (Shafritz et al., 2016). HRT is relevant when discussing founder's syndrome and how it affects organizational culture and sustainability because an awareness of the people, groups, and relationships is essential for understanding cultural sustainability.

### **Origins of the human resource theory**

Shafritz et al. (2016) discussed how the origination of HRT derives from some early writings by M. Parker Follett in 1926. Follett (1926) discussed organizational behavior and pioneered concepts related to situational leadership, explaining how situations create sets of rules regarding how an organization and the people within it should and will behave, based on human behavior theories. As a foundational theory of organizational behavior, Follett presented "The Giving of Orders," which clearly explained the effects of developing a participatory leadership model to increase employee satisfaction and improve organizational culture (Follett, 1926). HRT has contributed to changing views of organizations from institutions that cause certain behaviors in people to institutions that are comprised of and function because of certain behaviors in people. The ideas presented by Follett, specifically the importance of developing a participatory

leadership model to improve organizational culture, are related to the current study directly, as the behaviors and actions of the departing founding leader may impact the experiences and perceptions of others within the organization. To address how the perceptions of various leaders involved in the leadership transition process are impacted, one must understand how various relationships among people within an organization develop and affect the organizational culture.

McGregor (1957) explained the contrast between organizations that cause certain behaviors and organizations that are comprised of certain human behaviors using Theory X and Theory Y as two opposing styles of organizational structure. Theory X assumes that managerial assumptions can cause certain behaviors, while Theory Y assumes that people behave in certain ways because they are satisfied by their involvement and contribution to the organization and want to work toward success. McGregor described how employees who participate and leaders who encourage a consultative leadership or management role can help direct greater amounts of employee effort toward organizational objectives. This can affect the organizational culture of an organization substantially, and closely relates to ideas present within the framework of founder's syndrome. It is the behavior of the departing founding leader that was explored and examined in this study, to consider how these behaviors are perceived and how they impact the organizational culture. McGregor's Theory X and Theory Y contrast two significantly different models of leadership and the potential outcomes. McGregor stated, "Only the management that has confidence in human capacities and is itself directed toward organizational objectives rather than toward the preservation of personal power

can grasp the implications of this emerging theory” (p. 160). Examining the impact of the departing founding leaders’ styles will help to provide greater depth into the impact related to their departure and the strategies implemented during the leadership succession process.

### **Assumptions of Human Resource Theory**

The departure of founding leaders may affect the ability of nonprofit organizations to remain viable. The primary themes within HRT include leadership, motivation, teamwork, work environment, power, and organizational change. Consequently, HRT provides a structure for exploring the variety of factors that may be impacting the sustainability of nonprofits, particularly during tumultuous periods such as leadership succession processes. The HRT assumptions include that organizations exist to meet human needs, organizations and people need each other, and it is critical to maximize human resources, efforts, and energy (Shafritz et al., 2016). Often these needs are met through building trust and boosting motivation by meeting critical needs. These factors are necessary for nonprofit organizational sustainability. Within HRT, concepts related to motivation theory are also addressed. This is significant to the discussion of nonprofit sustainability because it is often an organization’s ability to meet the needs of the members that keeps it viable, which is considerably important during leadership transitions.

### **Previous Applications of HRT**

Nielsen and Pedersen (2014) examined the implications of human resource management on the outcomes of organizations, and emphasized the importance of

considering human potential to increase organizational performance. When founding leaders and organizations begin to plan for leadership succession, the incorporation of all human resources within the organization, as well as those outside of but related to the organization, can affect the sustainability of the culture. Nielsen and Pedersen indicated that recognizing the contribution of the skills and knowledge available will help support organizations during transitional periods. The work of Nielsen and Pedersen relates to this study because I sought to examine how founding leaders, successive leaders, and board members recognize and support the human resources available to maximize sustainability. I also sought to identify ways in which exclusion of this recognition may affect the organization's cultural sustainability. The first research question was intended to explore how leaders perceive the departure of a founding leader as impacting the organizational culture. The second research question aimed to understand how leaders perceive the effectiveness of the organizational culture strategies implemented by the departing founder. Identifying which social processes are contributing, both positively and negatively, is important.

HRT has also been applied to study cases of burnout in the workplace. Because it is connected to motivation, leadership, power, and influence, HRT can be applied when considering how to mitigate situations of workplace burnout. Papathanasiou et al. (2014) studied how leadership models affect the motivation and confidence of the staff, and that establishing collaborative psychological contracts with organizational members, or relationships between employers and employees that implicitly or explicitly define expectations, can help to reduce incidence of mental and physical burnout by increasing

the participatory nature and collaboration of staff and leaders. Empowering staff members to participate more fully affects the overall organizational culture in a positive manner (Papathanasiou et al., 2014). This increased participation is related to the study of founder's syndrome and its effects on an organizational culture because the behavior of the founder ultimately affects the behavior of other people within the organization.

### **Rationale for Selection of HRT**

This qualitative research was conducted with the intention of gaining insights and understanding into the perceptions of the involved individuals, so using the HRT framework helped guide the research by focusing on the relationship between management and behavior, specifically the control, motivation, power balance, and how human behavior can affect the outcomes. HRT was an appropriate theoretical framework for the study because use of human resources and management of the behavior of individuals within the organization affects its sustainability. This study was conducted to explore the effects of the departure of a founding leader on the organization, specifically how the various members involved in a leadership transition perceive the process. Using HRT as a theoretical framework was suitable for development of interview protocols and questions because of the relationship between management, control, power, and human behavior (McGregor, 1960).

### **Relationship Between HRT and Study**

The research questions for the current study explored the perceptions of the leaders (founding leader, successive leader, and board members) about the impact of the departure of the founding leader on an organization. Understanding how people affect

organizations and how they are affected by organizations, based on an application of HRT, will help to increase understanding of the effects and impact of founder's syndrome on the organizational cultural stability of a nonprofit organization. Further, the study explored how the strategies used by the founder during the leadership transition process impact the perceptions of other leaders involved in the transition. By applying the themes within HRT, specifically leadership, motivation, teamwork, power, influence, effects of the work environment, and organizational change, it was expected that patterns would emerge that will clarify the impact of founder's syndrome on the organizational culture during leadership transition related to the departure of the founder.

## **Literature Review**

### **Founder's Syndrome**

Block and Rosenberg (2002) examined the effects of founding leaders on the function of nonprofit organizations, as well as the leadership succession process. Block and Rosenberg stated:

Founder's syndrome refers to the influential powers and privileges that the founder exercises or that others attribute to the founder. The use of the word syndrome further suggests unhealthy organizational situations in which founders are more heavy-handed and indifferent about the imbalance of their control over organizations. (p. 354)

This relationship between power and influence can play a major role in the success of the organization. Specifically, Block and Rosenberg explored whether or not founders used their position to influence organizational direction.

Founders play a significant role in the development of organizational culture. The departure of a founder may alter the organizational culture, depending on the behaviors of the founder during leadership transition processes (Block, 2004; Block & Rosenberg, 2002; Comini, Paolino, & Feitosa, 2013; Deaton, Brock Wilkes, & Douglas, 2013; Gilmore, 2012; Hayek et al., 2015). The development of founder's syndrome in an organization can result in a totalitarian decision-making model and also lead to micromanagement, which can make it difficult for an organization to survive when the founder departs (Block, 2004; Block & Rosenberg, 2002; Hayek et al., 2015). Comini et al. (2013) claimed that the resistance of a founding leader to transfer their power to a successor as they depart from an organization may be the major factor in conflicts surrounding succession.

Founding leaders may also be in denial when it comes to accepting the possibility that their effectiveness has deteriorated within the organization and it is time to turn over the power (Gilmore, 2012). This adds a layer of complexity to any leadership succession process, as the founder may experience a significant sense of loss that affects their ability to participate in the succession process positively. A further complication occurs when boards and members are overly reliant on the founding member for leadership, which can impact the ability of the founder to contribute positively during the process of identifying and empowering a successor (Gilmore, 2012). The complexity of the leadership succession process, particularly during the departure of a founding leader, may contribute to the sustainability of organizations.

The emotional connection between the founder and the organization can create transition problems. If the founder is unable to redirect their energy in a positive direction, either by transferring power and fully departing or remaining in a reduced power role, founders may be sabotaging the continuity of an organization as a reaction to their fear of having their dream destroyed after dedicating time, effort, and passion to the cause (Comini et al., 2013). Block (2004) posited that founders may experience threats during leadership transitions and react with behaviors intended to preserve their position of power and influence over the organization in which they have a deep commitment. Further, Block suggested that society has a double standard when it comes to expectations of leaders of for-profit and nonprofit organizations. Leaders of for-profit organizations are respected and rewarded for exuding power and influence while leaders of nonprofit organizations are criticized for similar behaviors.

Leaders typically demonstrate patterns of behavior, which can be categorized based on various characteristics. Santora et al. (2013) created a typology of founders using a case study, and categorized them into four groups: destroyer, conscientious, maverick, and controller. Like Comini et al. (2013), Santora et al. found that, in some cases, founding leaders were the major impediment to a successful leadership transition process because of their significant emotional and moral connection to the organization and their difficulty with losing their position of power following their replacement. Founders who tried to remain a significant influence in the organizations interfered with the effectiveness of their successor. Santora et al. argued that it was important to identify the qualities that founders sought in successors and how to match successive leaders with



the needs of the organization. Institutions should develop protocols to assist founders and boards with selecting and properly preparing successors, and that these protocols should also recognize who would be involved in making the decisions regarding the successor (Santora et al., 2013). While founder's syndrome has been well defined and behaviors of the founders have been described, there is a gap in the literature regarding how the various behaviors of a departing founder are perceived by leaders and board members as impacting the organizational culture.

The management and distribution of power is highly relevant when discussing the departure of founding leaders and the effects of founder's syndrome. English and Peters (2011) further examined the role played by founders in nonprofit organizations, by studying nonprofit organizations founded by women and how the founders affected the entire organization. English and Peters reported that, despite the effort to develop a culture of shared power, most founders struggled with accepting decisions that they did not make, suggesting an imbalance of power. This result is consistent with the findings of Block and Rosenberg (2002), which explained the disproportionate strength of the founders' opinions and "voice" even in situations where the "implicit understanding is that power will be shared" (p.164). Founders may justify this imbalance of power, since it is often the founders who fill the void when other organizational participants may not be doing their fair share to contribute (English & Peters, 2011). Founders must balance their personal motivations and self-interests, and their need for power and influence, to promote the positive social contributions of the organization, to create a more balanced sense of shared power and shared commitment to the organization (Hayek et al. 2015).

The specific behaviors of a founder that directly contribute to the power shift, particularly when transitioning to a successive leader, are not clearly defined in the literature.

Power and influence arise from various sources. Though community-based nonprofit human service organizations tend to be created to provide for unmet needs caused by government or contract failure, founders often aim to create organizations that are defined by their own values and perceptions, and not necessarily based on market research (Carman & Nesbit, 2013). This phenomenon can increase the likelihood that a founder may ultimately contribute to an imbalance of power and influence as the organization is based on their personal interests. Additionally, founders may be creating organizations based on their own perceptions of community needs, and there has been an increase in competition for resources within the nonprofit sector, as organizations provide overlapping needs and struggle within communities to effectively raise funds (Carman & Nesbit, 2013). Further, Carman and Nesbit (2013) discussed that the ease with which founders can establish a nonprofit organization and become entrepreneurs may perhaps affect the eventual sustainability when competition from other entities arises. Since the founder's perception of the community needs may differ from the actual needs of the community, organizations that are redundant may have sustainability issues, particularly when the passionate founding leader departs.

### **Organizational Culture**

Nonprofit organizations can have unique organizational cultures. This may be attributed to the fact that founders establish the organizations based on their perceptions of the unmet needs in the community, which is closely tied to the personal experiences

and observations of the founder, rather than on formal studies or market research (Carman & Nesbit, 2013). The self-interest and perception pattern supports the discussions regarding the effects of founder's syndrome, because when a founder is defining the need for services, their perception of personal power and influence may be inflated and lead to a misalignment of power, thereby affecting the organizational culture by limiting the participation of other members of the organization, or reducing their power and influence.

Member and stakeholder buy-in is critical for any serious transition. The buy-in is particularly important during leadership succession processes, if the organizational culture is to be sustained (Gothard & Austin, 2013). Careful introspection and organizational reflection help with assessing the organizational culture and developing a strategic plan to address the succession process and determine the best way to proceed, and some organizations may need to make adjustments to their organizational culture in order to proceed through a leadership transition effectively (Gothard & Austin, 2013; Hernandez, 2012). Allen et al. (2013) addressed how the style of leadership in an organization can affect the readiness to accept change, and that transformational leaders can better create a culture or climate that is sustainable following change. The transformational founding leader is more likely to develop healthy psychological contracts with members, generate greater buy-in, and create a power balance that supports the organization rather than divides it (Allen et al., 2013; Deaton et al., 2013). The development and nurturing of these psychological contracts will ultimately affect the

organizational culture and help informally define the power structure and how balanced it might be.

The presence of psychological contracts, or implied agreements between leaders and members, sets the precedent for the organizational culture and can determine how the actions of founders may be perceived during times of change, including leadership succession (Hernandez, 2012). Psychological contracts have long been discussed in literature, and can be described as an implied understanding between leaders and followers, which defines the expectations from both parties with regard to participation and performance (Mayo, 1933). Hayek et al. (2015) addressed how the differences between founders and non-founders of an organization must be balanced to maintain an organizational culture.

Founders who identify with their organizations themselves and simultaneously promote a culture that encourages other members to identify closely with the organization will contribute to the development of an organizational culture that not only supports their mission and vision but also develops a culture that is more sustainable by empowering others (Hayek et al., 2015). There is a gap in the literature related to how the motivations of founders, specifically their need for power and influence can impact the organizational culture, and more specifically, influence the outcomes when the founder is succeeded (Hayek et al., 2015).

Organizational performance is affected by various types of leadership. McMurray, Islam, Sarros, & Perola-Mirlo (2012) used quantitative methods to study patterns of leadership that impacted workgroup, and ultimately, organizational performance.

McMurray et al. found that transformational leadership had the most significant impact on a positive work climate. The loss of a founding leader of a nonprofit organization may put the organizational culture at risk. The findings of McMurray et al. (2012) support the need for trust building as critical for a positive work environment, and also that contingent rewards, personal support, and performance expectations help motivate organizational members. Trust building requires a leader to have a high emotional intelligence and have the ability to develop positive relationships with multiple stakeholder groups (Deaton et al., 2013). Since the purpose of the current study is to examine how organizational cultural sustainability is impacted when a founding leader departs, understanding the characteristics and leadership style of the founder can help to possibly predict outcomes, once the characteristics are defined and applied to observed behaviors.

Kearns et al. (2015) explored the perceptions of leaders of nonprofit human service organizations related to their leadership tasks, using an in-depth interview protocol and qualitative analysis. Kearns et al. claimed that most leaders perceived that their conceptual knowledge was most critical when performing their typical tasks. The most highly ranked tasks, as perceived by the leaders, were based on the importance of understanding the distinct mission and vision of the organization, and being able to use this pattern to develop a strategy for the future. The leaders interviewed by Kearns, et al. were highly focused on the development of trust with their followers, and the need to develop skills in perspective taking, social perceptiveness, and social performance. During times of leadership transition, the characteristics of leaders can affect outcomes

and sustainability because those characteristics impact the way that leaders and members interact, and, as a result, have a significant impact on the organizational culture. Though exploratory in nature, the study by Kearns et al. emphasized the need for development of trust as part of the organizational culture of a nonprofit organization.

Organizational culture can also be heavily affected by the amount of power and control wielded by the board of directors, and by how much of a power balance is developed between founders and non-founders (Froelich et al., 2011; Hayek et al., 2015). Though founders may initially create their organizations to serve the community and address perceived unmet needs, it is important to balance the self-interests and self-importance of the founder and develop a shared power balance. Shared governance will help increase buy-in of stakeholders and organization members and also help to develop a shared sense of purpose within the organization (Hernandez, 2012). Hayek et al. (2015) suggested that founders can change their culture and improve the likelihood of sustainability “by empowering their employees, maintaining open communications, offering group rewards and ensuring continuous training with the objective of developing trust, shared mental models, aligning goals, and collaboration among the personnel” (p. 105). These findings are consistent with those of Wright, Moynihan, and Pandey (2012), who hypothesized that transformational leaders had an impact on commitment to mission and vision of an organization, and found a correlation between leaders who were able to engage their employees using value and meaning, as well as rewards, but that the specific methods were not well understood. Founders who are planning a departure should

consider how they are impacting an organization and determining the specific processes that contribute to the greatest positive impact is important.

### **Organizational Sustainability**

Leadership continuity is a major factor in nonprofit organizational sustainability. Those organizations that plan effectively for the development of new leaders show better outcomes following leadership transitions, and the culture of the organization is better able to be preserved and maintained (Bozer, Kuna, & Santora, 2015). Organizational sustainability can be described as the ability of an organization to meet current needs of the community and members of the organization while also maintaining the ability of future generations to uphold the mission and vision of the organization, as well as the culture (Hernandez, 2012). Founders have a significant impact on the development of the culture, which often directly reflects their own vision and personality. However, by creating less power distance and sharing power with the board and other members, they can improve the sustainability of the organization by not wielding their power over successors or potential successors, as this can result in organizational inertia and prevent the organization from generating new iterations of itself and continuing to contribute positively to communities (Hayek et al., 2015).

One way in which nonprofit organizations can potentially reduce the power distance between leaders and other members is by utilizing a shared leadership model (Routhieaux, 2015). This is a specific type of strategy that can ultimately change the possibility of sustainability (Gilmore, 2012). Developing a solid strategy implies that an organization must identify and explain the environment or culture, mission, vision, and

goals, and further determine what is necessary in terms of core competencies to ensure that the organization may continue (Gilmore, 2012). The organizational culture can be measured using a multitude of factors, including visible structures and processes, shared values including strategies and goals, and the perception of value to the community based on the shared assumptions (Routhieaux, 2015). Routhieaux discussed how the shared leadership ideals may not be consistently utilized due to unexpected changes, such as personnel transitions, funding transitions, legislation changes, and other factors. However, some sharing of leadership at least among a smaller group can improve stakeholder buy-in and result in better outcomes related to sustainability. The decisions of the shared leadership team will impact outcomes related to sustainability and culture, but may conflict with the strong, passionate ideas of the founder during their departure. It may be important to consider the implications of a shared leadership model in order to better prepare successive leaders to contribute to the organizational sustainability.

Organizational sustainability is highly vulnerable during times of leadership transition. Comini et al. (2013) described the main objectives of an effective leadership succession process as “aligning current talents with the leaders needed in the future, overcoming strategic and operational challenges with the right people at different times, and ensuring the continuity of the organizational memory and culture” (p. 36). Founders must recognize their need for perpetuation of the organization and balance it with a careful plan of succession if an organization is to be sustainable; however, it is likely that many organizations fail to develop adequate succession plans to accomplish this goal (Bozer & Kuna, 2013; Comini et al., 2013). Gilmore (2012) explained that new leaders



may focus on addressing strategy and policy before developing a solid team of leaders within an organization. This practice may impact the organizational culture when a founding leader departs, because there may not be sufficient depth to the leadership team. When a founding leader builds transition processes into a strategic plan for the new leader, the new leader may be better able to work within the cultural rhythms of the organization and develop strategies that are individualized and timely for the specific organization, rather than according to a predetermined type of strategy (Gilmore, 2012). Specifically, the annual cycles of organization with regard to budget, planning, and other tasks, must be incorporated in the transition process in order to improve the chances of sustainability.

By directing a variety of the organization's resources effectively, including not only financial but also human resources, organizational sustainability may increase (Hernandez, 2012). The manner in which this direction occurs is not defined clearly in the literature, however it is clear that there is a psychological relationship relative to the founders and members, and the power distance that is created or develops, which affects the sustainability (Hayek et al., 2015; Hernandez, 2012). Organizational stability also plays a role in organizational sustainability, and developing that stability requires effective and efficient utilization of all resources (Santora et al., 2015). Issues noted as potentially damaging to organizational sustainability include failure of organizations to incorporate succession planning as core organizational activity, failure to develop a formal succession plan, failure to develop internal talent for leadership succession and recruitment (Santora et al., 2015).

Nonprofit organizations must make efficient use of all resources, including human resources, related to commitment and effort. Maximizing the importance of value can help NPOs leverage their human resources in a manner that contributes to the sustainability by encouraging members to excel (Knutsen, 2013). This commitment to quality is an important factor in organizational culture, and can directly affect sustainability. Organizations that successfully accomplish this have a higher likelihood of surviving and continuing their mission (Knutsen, 2013).

Stakeholder engagement is also important when it comes to nonprofit organizational sustainability. Manetti and Toccafondi (2014) examined the relationship between stakeholder engagement and sustainability, and found that organizations with leaders who more effectively legitimized stakeholders' needs were able to foster a sense of obligation from the stakeholders to the organization. This result is similar to the findings of Allen et al. (2013), who determined that transformational leaders were better able to develop member or stakeholder commitment to the organization. This commitment can lead to better outcomes following transitions in leadership, as the remaining stakeholders will continue to be strongly dedicated to the mission and vision of the organization. This relationship is another example of the psychological contracts that can come from a planned structure with a shared power balance (Allen et al., 2013; Hayek et al., 2015; Hernandez, 2012; Manetti & Toccafondi, 2014). Hess and Bacigalupo (2013) discussed how leaders should be aware of the relationships within the organization and also consider how decisions may be perceived by others, as these perceptions may affect the outcomes of the decisions and the ultimate success of the organization. Similar

to the discussions presented by Deaton et al. (2013), Hess and Bacigalupo (2013) emphasized the importance of leaders having high emotional intelligence and how this factor can serve as a useful lens to view the decision-making process. Emotionally intelligent leaders better understand the feelings of others and they use this awareness to inspire followers, thereby increasing trust and buy-in from stakeholders (Hess & Bacigalupo, 2013). Ultimately, the perception of success may be related to the actual success, and leaders need to demonstrate empathy and organizational awareness when making decisions for the organization (Hess & Bacigalupo, 2013).

### **Nonprofit Organizations and Leadership Transitions**

A leadership succession process is a transition from one leader to the next, but it cannot be viewed as simply as replacing the current leader or deciding who will be next in charge (Comini et al., 2013). Gilmore (2012) addressed the need for leadership succession processes to address the complex interaction of succession, strategy, and governance during transitions. Hutzschenreuter, Kleindienst, and Greger (2012) found overwhelmingly, that the leaders of organizations are most likely to affect organizational strategy and organizational change. Leadership succession is defined as “a pivotal act or process in a company's history by which a new actor, an incoming CEO, takes the place of another actor, an outgoing CEO, and inherits all the rights and responsibilities of the position. If a company is in existence long enough, sooner or later there will be a succession” (p. 731). The process of a leadership transition or succession is complex, and those involved in the process must leverage the resources available, both human and otherwise, to maximize opportunities for continuity and development.

A departing founding leader of a nonprofit organization will typically be motivated to transfer leadership in a manner that continues what they view as their legacy (Block & Rosenberg, 2002; Hayek et al., 2015). Block (2004) explained that, for the purposes of exploring organizational culture and nonprofit sustainability, the main issue is not whether a person is an effective leader but, more importantly, how the leader affects the organizational culture. Leaders must develop effective relationships with all stakeholders in an organization, as well as be able to develop positive relationships with other organizations in the community (Deaton et al., 2013). The findings of McMurray et al. (2012) support the need for establishing trust between the founder, the successor, the board, and the organizational members in order to develop an effective succession plan and sustain the organizational culture. The building of trust requires the building of strong foundations in relationships. Therefore, successful leaders should have high emotional intelligence and awareness, and invest time and energy in the process (Hess & Bacigalupo, 2013). As founders typically prefer to have their legacy continue, the importance of this process cannot be understated. Hopkins, Meyer, Shera, and Peters (2014) discussed the necessity of leaders developing relationships and connections, both within the organization and among other organizations within the community, to maximize opportunities for continued learning, growth, and collaboration. This process can lead to greater creativity for managing resources, help develop an adaptable culture, and further inspire organizational members to contribute and participate.

Organizational culture is often defined by the values and mission of the organization, and during periods of leadership transition, new leaders must be acutely

aware of the organizational culture before assuming any formal leadership role (Hess & Bacigalupo, 2013). This is particularly important and relevant when the transition involves the departure of a founding leader, as the founder often plays a significant role in developing the organizational culture, values, and mission (Hess & Bacigalupo, 2013; Hutzschenreuter et al., 2012). Founding leaders may be cognitively committed to maintaining previous courses of action, which can result in organizational inertia and less adaptability to change, thereby affecting the outcomes when a new leader takes over (Hutzschenreuter et al., 2012). Hess and Bacigalupo (2013) discussed that it is of equal importance during these transitions for the incumbent leader to carefully scrutinize the culture and be aware of any shifts and make decisions thoughtfully, with awareness of how the culture may be affected.

The grooming process is important for any new leader. However, a grooming period that is too lengthy could adversely affect the acceptance of a new leader's authority by the members of the organization once the founding leader departs and impact the level of trust that can be gained by the successor (Gothard & Austin, 2013; Hayek et al., 2015; McMurray et al., 2012). Finding the proper balance between transferring leadership and providing developmental support is critical for a departing founder (Gothard & Austin, 2013; Hayek et al., 2015).

Cullom and Cullom (2014) examined the relationship between leadership and succession, and found that because many senior leaders appear to be delaying retirement, new leadership may not be getting properly groomed for succession processes. When few opportunities for growth are available in an organization, qualified younger leaders will

be less likely to remain in the organization. Cullom and Cullom suggested that opportunities should be developed to build leadership teams in the nonprofit sector, opportunities that will leverage the human resources available within the organization, and maximize the talent available, in preparation for eventual leadership transitions. In their case study, Cullom and Cullom highlighted the pattern of poor performance related to developing internal talent and preparing for leadership succession. Peet (2012) also found that, during times of leadership transition, it is important for leaders to establish the means by which knowledge will be exchanged, while at the same time fostering methods that will help the organization generate new knowledge. Peet explored methods for building leadership talent within an organization, in strategic preparation for the departure of the leader. For founding leaders, this is especially relevant, as the transfer of the body of knowledge possessed by a founder encompasses more than a mere list of tasks (Block & Rosenberg, 2002). Founders must be prepared to groom successors to increase the likelihood that the organization can be perpetuated.

Deaton et al. (2013) discussed the idea that nonprofits have a significant advantage over other business models when it comes to retention of potential leaders because nonprofit employees may have a greater commitment to the mission, vision, and purpose of their work. This devotion may make it more likely for them to stay on and wait patiently for new growth opportunities. However, Deaton et al. reported that only approximately one-third of nonprofit organizations use internal candidates for leadership succession, as opposed to approximately 60% in the for-profit business sector. Deaton et al. presented this fact as a potential opportunity for nonprofit organizations to focus more

on developing the leadership skills of younger members, in preparation for the eventual departure of senior leaders. For founding leaders planning their departure, the grooming of internal candidates should be considered as a possible avenue for maintaining the organizational culture.

Of immense relevance is having new leaders develop the skill set necessary to lead the organization and sustain the culture. However, there is much discussion in the research regarding whether leadership can be learned or taught, as opposed to having a potential leader require a natural skill set for leadership (Block, 2004; Kearns et al., 2015; Peet, 2012). Peet (2012) suggests that properly groomed leadership successors generate their own knowledge regarding the organization and processes, based on a latent style of knowledge transfer from founding or senior leaders over time. This process requires the senior leader to be aware of core concepts and capabilities that need to be transferred and develop strategies for that knowledge transfer that are going to be effective for the new leader to sustain the organization. Storytelling, listening skills, and human resource management are all noted to be vital components of the process (Peet, 2012). While older leaders are staying longer, younger potential leaders become impatient and seeking outside opportunities to make their contribution (Bozer et al., 2015, Cullom & Cullom, 2013; Deaton et al., 2013). Deaton et al. further found that emerging leaders were more likely to stay in an organization when there was some potential for personal growth and development that would be expected to lead to greater leadership positions in the future. It is important for senior leaders and founding leaders to recognize emerging leaders and their input to the organizations, particularly during leadership succession processes, as it

may be less costly to organizations to invest in their current human resources rather than develop new ones (Deaton et al., 2013).

In contrast to the findings of Cullom and Cullom (2014) that suggested that founding leaders may be delaying retirement, a study by Bassi (2013) examined approximately 200 nonprofit organizations and found that approximately two-thirds of the organizations experiencing leadership succession processes were not replacing a founding leader, suggesting that there was a high turnover of founders in recent decades. Further, Bassi found that approximately 60% of their sample did not have any succession plan in place, making the organization more vulnerable in terms of sustainability. Interestingly, they determined that more than 75% of successors did not make changes to the organizational direction because of a perceived lack of autonomy when it came to decisions regarding change. Bassi (2013) suggested that one reason for the lack of change in direction was the recruitment of internal successors, as external successors are often hired with the intent of causing organizational change rather than maintaining the status quo. Despite the growing body of evidence highlighting the benefits of internal recruitment for leadership succession, there is research that suggests that focusing on internal recruitment could limit the organization's access to potential new members and leaders. This may impact sustainability and limit creativity because existing members may be resistant to internal changes, perhaps more than if new leaders from outside of the organization are appointed to the organization (Gothard & Austin, 2013).



The possible benefits of recruiting internal applicants for leadership succession was examined by Bozer et al. (2015). The authors predicted that internal recruitment would improve organizational outcomes and demonstrate the importance of having strong organizational leadership development programs. Similar to the findings of Cullom and Cullom (2013), Bozer et al. determined that finding and retaining younger members of the organization who may eventually become candidates for leadership succession is a critical task for the board members and executive director of a nonprofit organization. Nonprofit organizations that fail to adequately plan for leadership succession may face significant problems with sustainability (Bozer et al., 2015; Cullom & Cullom, 2013). Although some organizations may plan for succession by a deputy or assistant director, with a plan to simplify the succession process, and members of an organization may consider the second in command as an automatic successor, many organizations do not automatically appoint the deputy or assistant as successor (Bozer & Kuna, 2013; Gothard & Austin, 2013; Santora et al., 2015). This may negatively impact the sustainability of organizations following leadership succession, and is particularly relevant when considering how the founding leader prepares the organization for their departure.

Multiple studies have identified problems with leadership transition in nonprofit organizations. The problems are often situated around retention of adequate talent, trust building among leadership levels, training and recruitment of appropriate successors, and maintenance of the organizational culture (Hernandez, 2012; McMurray et al., 2012; Peet, 2012; Ricke-Kiely, & McMerty-Brummer, 2012). In a case study, Ricke-Kiely and McMerty-Brummer (2012) discussed outcomes related to the long-term needs of the

organization not being carefully examined in a strategic manner. Decisions made without adequate buy-in from the leadership planning members as well as the other major stakeholders in the organization are less likely to be welcomed and accepted.

Bozer and Kuna (2013) conducted an exploratory study that explored the leadership succession plans of 100 Israeli nonprofits, and suggest that the findings are applicable to nonprofits in other countries. Bozer and Kuna explained that succession plans lead to greater organizational sustainability and greater employee satisfaction due to increase organizational stability, and that the executive director plays a major role in the strategic direction of an organization, planning for succession is extremely critical for the sustainability of the organization. Bozer and Kuna explored the reasons for the gap in succession planning, as findings indicated that only approximately 16% of the organizations studied had succession plans in place. This lack of planning can create substantial unrest within an organization, as it is often the executive director that controls the direction of the organization, makes decisions to maintain or update the mission and vision, and controls the culture in many cases (Bozer & Kuna, 2013; Comini et al., 2013).

Although there is growing research regarding the difficulties with nonprofit organizational sustainability, there is little research related to the processes that contribute to sustainability when the founding leader departs (Block & Rosenberg, 2002; Froelich et al., 2011; Hayek et al., 2015). Hayek et al., as well as Peet (2012), discussed the importance of strategic planning for organizations to prepare them for the departure of a founder. Organizations that fail to properly prepare are far more likely to fail and organizations that prepare have an opportunity for renewal and updating of the culture,

mission, and vision. Hess and Bacigalupo (2013) addressed the issue that “decisions worth making often generate conflict and the ability to manage that conflict involves an emotional intelligence skill that can determine the ultimate success of the decision-making process” (p. 216). They further identified the need for additional research related to how decisions related to nonprofit leadership and behaviors of leaders are perceived.

### **Summary and Conclusions**

The literature reveals there is a problem with sustainability of community-based nonprofit human service organizations in New York State when the original founder departs the organization. The reasons for this problem are not well-understood, so it is important to examine the effects of the departure of a founding leader on sustainability. By examining founder’s syndrome and its effects on organizational culture, organizational sustainability, and the leadership succession processes used by organizations, clarity is gained with relation to how the departure of a founding leader affects sustainability. It is well documented in the literature that a leader, and particularly a founding leader, will play a pivotal role in establishing and maintaining the organizational culture with regard to mission, vision, and goals. How this culture is sustained or not sustained following leadership transition may affect the outcomes for the organization.

Chapter 3 documents the data-gathering methodology for the study. A qualitative, phenomenological approach was used in this study to examine the perceptions of those most closely involved in the leadership succession processes. The underlying causes for the problems with nonprofit sustainability require proposed solutions that are identified

as a result of the current study. Improved sustainability of community-based nonprofit human service organizations will contribute to positive social change by allowing established nonprofit organizations to continue to serve communities following the departure of a founding leader.

### Chapter 3: Research Method

The purpose of this qualitative study was to understand the impact of the departure of a founding leader on the sustainability of the organizational culture of community-based nonprofit human service organizations. In order to address nonprofit sustainability, it is necessary to know more about the effects of founder's syndrome, organizational culture, organizational sustainability, and the relationship between nonprofit organizations and leadership transitions. To explore how the departure of a founding leader impacts organizational culture and sustainability, and adherence to the mission and vision, qualitative methods with a phenomenological approach were used to identify relevant factors that are perceived as important by those affected by the departure of a founding leader. Interviews were conducted to gather information, which was analyzed to identify patterns that help explain how the departure of a founding leader may affect nonprofit organizational sustainability.

This chapter includes documentation of the research design that was intended to elicit answers to the research questions regarding how the departure and actions of a founding leader is perceived are perceived during the leadership transition process. Additionally, this chapter contains clarification regarding the role of the researcher as the principal investigator and research tool, including how research bias will be limited. Further discussion regarding the methodology including sample selection procedures, data collection procedures, and data analysis procedures is incorporated. Finally, the chapter includes a section entailing the overall trustworthiness of the study, including

how ethical considerations will be addressed and how reliability and validity will be ensured.

### **Research Design and Rationale**

The research questions for this qualitative study were as follows:

*RQ1:* How do leaders of community-based nonprofit human service organizations (the founder [ED/CEO], successor, and board members) perceive the departure of a founding leader as impacting the organizational culture?

*RQ2:* What actions has the departing founder leader taken during the leadership transition process that impact the organizational culture (either positively or negatively)?

A phenomenological approach was used for this qualitative study to explore the lived experiences and perceptions of those involved in the leadership succession process when a founding leader departs from a community-based nonprofit human service organization. Those affected, for the purposes of this study, included founding leaders, successive leaders, and board members who have participated in and experienced the leadership succession process. Subjects were selected based on their participation in a community-based nonprofit human service organization that has experienced a leadership transition (with the departure of a founding leader) within the past 3 years.

Using a phenomenological approach is an effective way to explore the complex nature of the perceptions and experiences that may be part of the leadership succession process, which is the primary focus of this dissertation. Central themes and concepts for this study included leadership, motivation, teamwork, work environment, power, and organizational change, using the theoretical framework of HRT (McGregor, 1957). The

departure of founding leaders may affect the ability of nonprofit organizations to remain viable. The central assumptions of HRT include that organizations exist to meet human needs, organizations and people need each other, and it is critical to maximize human resources, efforts, and energy. HRT describes the creation of these assumptions as being derived through trust building and motivation building, which will meet critical needs of those within the organization.

The phenomenological approach was most appropriate for this qualitative study. Consideration of other research designs included case study and grounded theory. The case study was determined to be less appropriate because identification of patterns in human perception and behavior are being sought and this is better addressed by using multiple agencies or cases. Grounded theory was also considered, and although this approach seeks to connect theories to concepts based on views and perceptions of the participants, it was determined to be less appropriate than phenomenology because the identified main theory of HRT will adequately serve as the theoretical framework.

### **Role of the Researcher**

As an interviewer, my research role was that of observer-participant. A researcher is the primary tool in qualitative research (Patton, 2015). I had no personal or professional relationship with any of the participants. No incentives were used for encouraging participation of subjects. Rich data was gathered, as recommended by Maxwell (2012), using an open-ended interview process to obtain detailed information. The interviews were digitally recorded and stored to ensure accuracy. The interviews were transcribed verbatim from the recordings prior to data analysis, converting speech to

written text and including interpretive responses from body language and interactions. I transcribed all interviews promptly following completion of each interview to improve accuracy.

I have personal experience with the leadership succession process and planning for the departure of a founding leader of a public organization. According to Patton (2015), establishing neutrality requires an investigator to reflect upon potential bias during the interpersonal interactions created during an interview process. Additionally, by limiting the sample to those participants with no personal or professional connection to myself, objective data was collected. It was important to ensure objective analysis of the data by using peer review of codes and excluding the use of any incentives. It was also important to ensure accuracy of data collection and transcription, which was accomplished by sending transcriptions of the interviews to participants for their review prior to completion of the data analysis. There was no identified conflict of interest for the study.

## **Methodology**

### **Participant Selection Logic**

The purpose of this study was to explore the impact of the departure of a founding leader on the organizational culture and sustainability of community-based nonprofit human services organizations. To accomplish this, it was necessary to identify participants who would be able to provide rich data related to the research questions. Purposeful sampling procedures were used. Patton (2015) explained that, while purposeful sampling can be less credible than random sampling, when comprehensive information is obtained from participants who are purposefully selected in the “advance



of knowledge of how the outcomes would appear” (p. 286), credibility is increased.

Patton further explained that purposeful random sampling can add credibility to a qualitative study and reduce bias in a small sample. To identify potential participants for the study, a brief survey was sent via email to local community-based nonprofit human service organizations identified through a nonprofit database, explaining this study and inquiring whether the organization has experienced a leadership transition from a founding leader to a successive leader within the past three years.

From the sample of initial survey responses indicating participation in the leadership succession process, four organizations that reported this experience were selected purposefully and contacted via telephone or email for further inquiry, requesting that they become participants in the study. It was required that four members of the organization (departing/departed founder, successor, and two remaining board members) agree to participate. Each of the four participants from the four identified organizations were contacted independently. Organizations were not accepted as participants in the study unless the four identified members each consented to participation. Should an organization that was randomly selected have been unable to provide four participants as outlined by the research design, an alternate organization would have been randomly selected from the initial survey respondents.

Upon their agreement, which included informed consent, the departing or departed founding leader, the successive leader, and two board members were identified and interviewed individually for the study. Although participants were ensured of anonymity regarding their responses, informed consent was required, which included the

explicit declaration that participants from the same organization may be aware of inclusion of each other in the study; however, responses will remain confidential between myself and each participant. The collection of participants for the study totaled 16 individuals, which is considered to be within the recommended appropriate sample size for a phenomenological qualitative study (Patton, 2015). The sample size was selected with the expectation that saturation will be reached within these boundaries.

### **Instrumentation**

Data was collected using an open-ended interview protocol developed specifically for this study, the Nonprofit Sustainability Interview Protocol. Interviews were digitally recorded to ensure accuracy, and additional handwritten notes were taken regarding extraneous information presented during the interviews (e.g., tone of voice, body language of participant, setting, additional stimuli). This additional information was included in the transcribed interview. Interview questions were developed with the intention of obtaining rich data related to the research questions. A standardized open-ended interview protocol was developed, as Patton (2015) explained that it is necessary to limit the variation when presenting questions to participants to maintain consistency of information obtained. The questions were developed and presented with the intention of exploring the perceptions and experiences of the participants with regard to the departure of a founding leader from their organization. Questions were as follows (also see Appendix B):

1. How do you define organizational culture?

2. Based on your definition, how does the departure of the founding leader impact:
  - a. Leadership
  - b. Motivation
  - c. Teamwork
  - d. Work environment
  - e. Power balance between leader and other members of leadership team (successive leader, board members)
  - f. Organizational change with regard to mission, vision, and goals
3. Can you describe the strategies used by the departing leader to facilitate the leadership transition process?
4. What positive and/or negative effects can you describe related to organizational culture that resulted from the leader's actions?

Question number 1 was intended to probe participants regarding their definition of organizational culture, and the responses were helpful for framing the perceptions and identifying themes. Because the research questions were presented to probe participants about their perceptions and experiences, it is important to first establish how the participant personally defines the phenomenon in question (Patton, 2015), which in this case is organizational culture. Question 2, and each of the sub-questions incorporated in this question, aligns directly with the theoretical framework of HRT. Question 3 aligns directly with RQ2, and will provide information related to the specific actions implemented by the departing leader. Question 4 helped to gather information regarding

how the actions of the departing leader were perceived, which aligns directly with RQ2 as well. These interview questions were intended to obtain rich data that provided information regarding the perceived experiences of the participants.

Additional probing questions or prompts were used during the interview to elicit more complete responses as needed. Initial introductions, rapport-building conversation, and prefatory questions were utilized prior to presentation of the specific interview questions intended to obtain research data; however, this information was not included in transcripts or data analysis. Content validity was established by ensuring that each participant had the opportunity to receive a transcript of the interview to review for accuracy. According to Maxwell (2013), content validity is improved when confirmation of content is obtained. A pilot study was conducted to confirm clarity of questions and relevance to research questions and theoretical framework. When content validity was established, the instrument, Nonprofit Sustainability Interview Protocol, was expected to be sufficient for data collection to answer the research questions.

### **Pilot Study**

A pilot study was completed prior to initiation of data collection for this study. The pilot study was intended to evaluate the researcher-developed instrument by presenting the interview questions to nonparticipants in the study to evaluate clarity and relevance. Patton (2015) posited that developing questions that are clear and understandable can help improve not only rapport but quality of data collected. The participant was selected based on having experience with the leadership of nonprofit

organizations, but is not included in the study sample. The interview was digitally recorded and reviewed.

### **Procedures for Recruitment, Participation, and Data Collection**

Data was collected using the interview protocol presented in Appendix B, according to the following details:

- Recruitment occurred via initial survey letter inquiring about the departure of a founding leader from the local community-based nonprofit human service organizations.
- There was random selection from survey responses to identify four organizations able to provide the four identified participants (departing/departed founder, successor, two remaining board members).
- Participants were provided with a letter detailing their participation in the study and explaining informed consent.
- Interviews were scheduled with participants directly, with consideration given to mutual convenience. Interview locations were primarily the participants' workplace; however, convenience or confidentiality factors interfered with some scheduling and required establishment of alternative interview settings as well as several telephone interviews in lieu of in-person contact.
- Data was collected from open-ended interview questions, following administration of the Nonprofit Sustainability Interview Protocol presented in Appendix B.
- I directly collected all data via interviews in person or via telephone.

- A standard interview protocol was used, allowing me to take handwritten notes to accompany digitally recorded interview data.
- One interview per participant was used for data collection purposes.
- A maximum of four participants were interviewed in one day, which allowed me adequate time between interview groups to transcribe notes and reflections.
- Interviews lasted between 25-75 minutes per participant.
- Verbal interview data was digitally recorded.
- Additional handwritten notes accompanied each interview, documenting nonverbal responses, environment, distractions, and inaudible responses; these notes were transcribed and used for data analysis with the verbal interview data recorded.

At the conclusion of each interview, participants were reminded that they would be receiving a transcript of the interview for their review, with the request that they provide confirmation that the transcript represents the interview accurately. Participants were interviewed once, and a transcript of the session was sent to them to confirm that it was a true representation of the interaction. I sent a letter of appreciation along with each transcript, which included my personal contact information. Participants were invited to expand their responses upon their review of the transcripts, and add relevant information if they desire.

### **Data Analysis Plan**

Data analysis for qualitative research seeks to identify patterns, themes, and explanations of the research questions for the study. Patton (2015) recommended

beginning with content analysis to identify recurring words and themes in interview responses. As patterns are identified, themes began to emerge. Patterns and themes were analyzed and reviewed to determine the extent to which they support the theories in the research study and provide explanations for the research questions presented.

The following steps were used for the data analysis plan for the current phenomenological study:

- Interviews were transcribed in a timely fashion, following the conclusion of each set of interviews. Initial hand coding was completed as interviews were transcribed, using a constant comparison method.
- Upon initiation of the study and initial hand coding of interview responses, pre-coding using a short list of pre-assigned codes was used for subsequent interviews to help clarify patterns and emergent themes, which is consistent with suggestions made by Creswell (2013).
- Nonverbal responses and observations made during the interview were also coded and stored.
- Responses were initially hand-coded, first using convergence to identify similarities and regularities, and next using divergence to identify differences and extensions (Patton, 2015). Convergence and divergence exercises were alternated on an ongoing basis to establish a full breadth of codes, with sufficient depth for analysis. Constant comparison methods continued throughout the coding process.

- It is essential to apply cognitive, emotional, and hierarchical processes when coding qualitative data. Saldana (2009) posits that these processes can lead to richer categories and themes.
- As data was mined and reviewed, additional codes were identified. As new codes were identified, previous data was reviewed to ensure accuracy and consistency of the coding process.
- The process of *fracturing*, as described by Priest, Roberts, and Woods (2002) was utilized to assign multiple codes to data when necessary, and provide for ongoing review and comparison.
- NVivo software was utilized to store transcribed interview data, store transcribed notes and observations, code participant responses, and identify patterns, themes, categories, and typologies, as described by Patton (2015, p. 553).
- A sample of the interview responses were reviewed by a peer coder to help establish validity and reduce potential for research bias.
- Electronic data was stored using NVivo software, as well as original digital recordings of all interviews. Handwritten notes were securely stored in a locked file cabinet for the duration of the study, and will be destroyed at the conclusion of the study, after being securely recorded electronically. All electronic data is stored confidentially in multiple locations, including a password-protected computer as well as cloud storage, to protect and preserve original data.
- Should discrepant cases have arisen during the data analysis phase of the study, it was intended that the responses would be coded and analyzed similarly to all



other cases, with comparisons and explanations sought and connections established. Discrepancy will be acknowledged and recognized. Maxwell (2013) posited that discrepant cases must be rigorously examined “to assess whether it is more plausible to retain or modify the conclusion” (p. 127). Triangulation was used to reduce threats to validity (Maxwell, 2013). No discrepant cases were discovered during the data analysis phase of the study.

### **Issues of Trustworthiness**

#### **Credibility**

Credibility was established through member checking. I provided participants with transcribed copies of their interviews to review and confirm accuracy (Creswell, 2013). Patton (2015) explained that using member checking and providing participants with transcribed interview responses can improve validity of responses because participants will be reassured that their responses will accurately represent their experiences. Reflexivity, as described by Patton was used to improve mindfulness, reduce potential for bias, and improve interpretation, and deepen perspective while improving objectivity and consistency.

#### **Transferability**

Transferability, or external validity, was ensured by using thick and rich description, as described by Maxwell (2013). Thick, rich description of participants and methods allows for the study to be adequately interpreted by readers, as well as potentially replicated, and this improves transferability of results. Random selection of participants from the purposive sample allows for improved external validity, as well.

**Dependability**

Peer review of a sample of the codes allowed for improved dependability and improved trustworthiness of the study. Intercoder agreement is thought to improve reliability in a qualitative study (Maxwell, 2013). Triangulation, or the use of multiple methods for establishing trustworthiness, was used in the form of member checking (having participants review their responses to interview questions and confirm accuracy), peer reviewing, and considering the multiple perspectives obtained in the research and accurately reporting them (Patton, 2015).

**Confirmability**

Confirmability was established using reflexivity, which, according to Patton (2015), can help to mitigate research bias by requiring me to carefully reflect on my consciousness and the origins of my own perspective. Analysis of the interview data will be performed, and since the interview questions were developed to be directly aligned with the research questions, objectivity is improved. Because I have been involved in a leadership succession process at my place of employment, it is critical that all opinions and presuppositions be carefully reflected upon and processed, to mitigate threats to objectivity.

**Ethical Procedures**

- I obtained IRB approval prior to participant identification and selection, and prior to any data collection procedures being initiated (Walden IRB approval no. 03-16-17-0518690).

- Participants were informed that their consent is fully voluntary and that they were free to withdraw their consent and participation at any time during the study, without repercussion.
- Participants received no incentives or benefits related to their participation in the study.
- Data will be kept confidential, and partial anonymity of participants will be protected. Participants may be aware of the inclusion of other members of their organization in the study; however, their individual responses will remain anonymous.
- Confidential data will be stored in a password protected computer, as well as password protected cloud storage system, and available only to me. Handwritten notes were transcribed and stored along with the electronic data. Original handwritten notes will be retained until the conclusion of the study and stored in a locked filing cabinet. Upon completion of the study, original handwritten notes will be destroyed.

### **Summary**

This qualitative study, using a phenomenological approach was designed to explore the impact of the departure of a founding leader on the organizational culture of community-based nonprofit human services organizations. A phenomenological approach was selected because the purpose of the study was to examine perceptions and experiences of people impacted by certain phenomena. I developed and used a standard interview protocol to obtain rich data from participants selected through purposeful

sampling. Participants were selected from four organizations, and included the departing/departed founder, the successive leader, and two board members from each organization. Data was hand coded manually and analyzed using NVivo software to establish themes and patterns. Trustworthiness was ensured through utilization of peer review, triangulation, and reflexivity to reduce bias. The next chapter documents the findings and results of the study.

## Chapter 4: Results

The purpose of this qualitative study was to understand the impact of the departure of founders on the sustainability of the organizational culture of community-based nonprofit human service organizations. In order to address nonprofit sustainability, it was necessary to know more about the effects of founder's syndrome. The impact of the departure of a founding leader on organizational culture and sustainability was explored using qualitative methods with a phenomenological approach. Interviews were conducted with founders, successors, and board members, and information was gathered regarding relevant factors that are perceived as important by those affected by the departure.

To investigate the impact of the departure of a founding leader, the following research questions, which focus on the perceptions and experiences of the nonprofit leaders and members who were most directly involved in the leadership succession process, were used for this qualitative study:

*RQ1:* How do leaders of community-based nonprofit human service organizations (the founder [ED/CEO], successor, and board members) perceive the departure of a founding leader as impacting the organizational culture?

*RQ2:* What actions has the departing founder leader taken during the leadership transition process that impact the organizational culture (either positively or negatively)?

Chapter 4 provides a description of the pilot study, the research setting, demographics of participants, data collection procedures, data analysis procedures, evidence of trustworthiness, and the study results.

### **Pilot Study**

Following Institutional Review Board (IRB) approval of the study, one participant not included in the research sample was selected to participate in a pilot study, which occurred on March 22, 2017. The participant was selected based on their experience with a recent leadership transition in a nonprofit organization, and their familiarity with the process and outcomes for their organization. The intention of the pilot study was to evaluate the clarity and relevance of the researcher-developed interview protocol instrument, the Nonprofit Sustainability Interview Protocol, for the current study. The participant received and completed the consent form, which included the interview questions. The interview was scheduled at the convenience of the participant. The interview was conducted via telephone, due to availability of the participant. The pilot study interview was digitally recorded. At the conclusion of the interview, the pilot study participant was asked to provide feedback on the interview questions, specifically with regard to clarity and relevance. The recording was transcribed for accuracy. The responses to each of the interview questions were analyzed using preliminary codes.

After completion of the pilot study, discussion with the participant, and preliminary analysis of the interview data, I determined that no changes to the interview questions would be required. The questions for the study participants remained the same as those presented during the pilot study. There was no significant impact on the main study with regard to changes in instrumentation or data analysis strategies based on the pilot study.

### **Research Setting and Participant Demographics**

The initial contact with all participating organizations was made via email to the executive directors of local nonprofit human service organizations in New York State that had experienced the departure of a founding leader within the previous three years. The content of the email consisted of a description of my research study and a general profile for participants, requesting that they consider participation if they believed their organization may fit the criteria. Upon initial response from the executive director, a letter of cooperation was sent to each of four organizations that met participant selection criteria (local, community-based, nonprofit human service organizations that experienced a recent departure of a founding leader and transition to a successive executive director; each organization required a founder, a successor, and two board members to participate). Additionally, a consent form was attached, which included the interview questions and relevant data related to the study and the privacy of the participants.

Following the completion of the letter of cooperation and IRB approval, participants in each organization were contacted via email to schedule interviews. Although members within each organization may have had knowledge of each other's participation via their own disclosure and discussion, actual participation of the individuals was kept confidential between participants and me. Should all four participants from each organization not have completed interviews, I would have requested a change in procedures from IRB and identified a substitute agency, continuing this process until the proposed number of participants was finally reached for data collection.

Two modes of communication were used for conducting the data collection interviews. The research plan indicated that the preferred conditions were individual in-person interviews; however, this situation was not viable for all participants. 11 out of the 16 interviews conducted were in-person, with 10 of those taking place in the workplace of the participant and one interview that took place in a mutually convenient public location. The remaining five interviews were conducted via telephone. All interviews were digitally recorded. All participants were informed of the conditions of their participation and signed a consent form to participate.

Limited personal demographic information was collected for this study, and therefore the interview data is considered to include an unspecified range of demographic characteristics. Participants of this study included founders, successive executive directors, and board members from local nonprofit community-based human service organizations in Syracuse, New York. Regarding the organizations and their respective structures, they ranged in size (from less than 50 employees and \$150,000 operating budget to more than 1,600 employees and \$30 million total operating budget). Two of the founders remained involved with their organizations through participation in the board or on committees, while the other two founders completely departed from the organizations following the leadership transition.

### **Data Collection**

The initial email request was sent to six organizations that preliminarily met inclusion criteria for my study. Leaders from all six of the organizations responded to the email, stating they would be willing to participate. One founding executive director stated



that although they had been planning for leadership succession for several years, they had not yet left their organization, and this organization was therefore excluded from the study. A second responding leader (a successor) could not provide access to the required four participants (founder, successor, two board members) in a timely manner due to scheduling conflicts, and this organization was also excluded from the study, though contact information was retained in the event that a substitute organization would be required for completion of the study at a later date, as the organization appeared to meet criteria for the study.

A representative from each of the four remaining organizations provided contact information for the four participants needed (founder, successor, and two board members) via email. Each of the potential participants was then contacted via email, and consent forms were individually sent. Interviews were scheduled at the convenience of the participants, and were scheduled to be either in-person (11 interviews) or via telephone (five interviews), based on the availability of the participant. Each in-depth interview used the researcher-developed interview protocol instrument Nonprofit Sustainability Interview Protocol (see Appendix B) and lasted for 25-75 minutes. Once an interview question was presented, I allowed the participant to provide as much information as they desired, with no time limit. I occasionally included clarifying or probing questions or repeated questions when the participant requested, but primarily used the exact interview questions as included in Appendix B. No incentives were used to encourage participation of research subjects.

Interviews were digitally recorded and I took handwritten notes throughout the interview regarding nonverbal responses. Participants were reminded that their privacy would be protected and confidentiality would be maintained. As interview data was collected and recorded, it was transferred to my personal password-protected computer and stored with a recording number and no name or personal information. All interviews were transcribed promptly following completion of the interview to ensure accuracy. Manual notes were reviewed and documented. Each participant was offered the opportunity to review a written transcript of their interview to ensure clarity and accuracy, and allow them to further elaborate on their responses, if desired. Only one participant formally reviewed their transcript and reported that they did not wish to make any changes and that the transcript was accurate. All participants were offered the opportunity to receive a summary of the results following the completion of the study, and most participants accepted this offer. Letters of appreciation were emailed to each individual participant following their interview.

There were no substantial variations in the data collection plan, aside from the requirement to conduct several interviews via telephone. There were no unusual circumstances encountered during the data collection process. All data collected during the course of this study has been regularly backed up and is stored on a password protected computer hard drive as well as a password protected cloud account. All hard data, including interview notes and digital recordings, are stored in a locked file cabinet accessible only to myself to ensure confidentiality for all participants. Following a 5-year

period after the publication of this dissertation, all notes will be shredded and the computer files will be destroyed.

### **Data Analysis**

Following transcription of all interview data, printed copies were manually reviewed to consider initial themes and patterns. Initial coding of relevant data began, first manually, and then using NVivo11. Phrase by phrase coding was performed, using induction as recommended by Patton (2015). Patton stated that, “once patterns, themes, and/or categories have been established through inductive analysis, the final, confirmatory stage of qualitative analysis may be deductive in testing and affirming the authenticity and appropriateness of the inductive analysis” (p. 542). As themes and patterns emerged, codes were further developed and became more specific while being grouped into classifications for analysis. Constant comparative methods were used to provide an opportunity to immerse myself in the data, engage reflectively, and generate a rich description, as described by Thorne (2000). The inductive process involved the collection of open-ended data, initial analysis of themes, grouping of related themes, comparison of themes and patterns, discovering meaning from the experiences and perceptions of the participants, and synthesizing results into meaningful, relatable information.

Initially, codes were identified based on the words and phrases used by the study participants within their interview responses. Examples of such codes include, but are not limited to:

- Mission

- Culture
- Trust
- Leadership
- Transparency
- History
- Fears
- Purpose
- Transition
- Communication
- Team
- Open
- Positive effects
- Negative effects

As the coding process progressed, initial codes were grouped, and 12 major sub-themes were identified, which included:

- History
- Mission
- Trust
- Communication
- Development
- Leadership
- Power

- Collaboration
- Strategy
- Culture
- Fears
- Effects

Each of these subthemes was carefully analyzed and compared for each of the interview questions presented, and for each of the three roles held by the participants (founder, successor, or board).

Following this analysis, further comparison and reflective analysis established four overarching themes that were identified to explain the phenomena appearing in the data. These overarching themes were determined to be:

- Strengthening accountability
- Individual vs. collaborative leadership
- Assess and develop competencies
- Ability to conceptualize change

These significant thematic elements were then used to analyze the ultimate impact of the departure of the founding leader on the sustainability of the organizational culture, and how the founders' behaviors throughout the leadership succession process impacted the culture.

## **Evidence of Trustworthiness**

### **Credibility**

Credibility, or internal validity, was ensured by using member checking strategies. Interviews were all digitally recorded and transcribed by the researcher personally. Study participants were provided with transcribed copies of their interviews, for voluntary review to confirm accuracy. Only one participant confirmed their review of the transcript and also confirmed that the transcript they received was accurate, and they had no changes or additional information to offer to the researcher.

Random peer review of coding was utilized to improve internal validity. One interview was randomly reviewed by a peer to confirm accuracy and consistency of codes. Several code definitions were adjusted as a result of this peer review. Reflexivity was used, as described by Patton (2015), to improve mindfulness and reduce potential for bias. Journaling and reflective review were used throughout the data collection and data analysis phases of the research to obtain a deeper perspective and improve objectivity and consistency.

### **Transferability**

Transferability, or external validity, is ensured by the use of thick and rich description. Maxwell (2013) explained that using thick, rich descriptions of participants and methods improves the ability of readers to adequately interpret the study, as well as potentially replicate it, thereby improving transferability. The random selection of participants from the purposive sample further improved transferability.

### **Dependability**

The use of intercoder agreement improved dependability for the study and increased trustworthiness. Maxwell (2013) explained that intercoder agreement can improve reliability in a qualitative study. Triangulation in several forms including member checking, peer reviewing, and reflexivity, also improves dependability (Patton, 2015).

### **Confirmability**

Confirmability was established for the study through the use of reflexivity, as described by Patton (2015). Reflexivity helps to mitigate the potential for research bias by requiring the researcher to mindfully reflect on their own perspectives. Because the interview questions were developed to directly correlate to the research questions, objectivity was improved. My personal involvement with a leadership transition process has been ongoing throughout the duration of the study. Reflexivity was consistently applied to mitigate any potential threats to objectivity.

### **Study Results**

Of the four organizations whose leadership participated in this study, only one organization had a successive executive director selected from internal staff. The other three organizations identified external successors for the executive director position when the founder departed. Participants from all four organizations indicated that none of the organizations had a formal leadership succession plan in place prior to the founder's plan for departure. The leadership succession process ranged from approximately six months to 18 months from the time the founder's departure was announced to the transition to a

successive executive director. Three of the organizations used an open method of recruiting new executive directors, while the fourth organization did not open the recruitment process to external individuals once a potential successor was identified. Themes related to each of the specific interview questions, which correlate directly to the research questions and theoretical framework, will be discussed, as well as correlations of themes and patterns between various groups of participants (e.g., role classification, organizational membership). Overarching thematic elements are identified and will be discussed.

This study was designed to explore a deeper understanding of how founders' syndrome may contribute to the outcomes following a leadership transition. None of the participants in the study specifically used the term "founder's syndrome" during the interviews. Though many referenced the concepts involved in founder's syndrome, all participants expressed a deep commitment to the organizational culture and a respect for the contribution of the founder, and provided rich descriptions of how the leadership transition process involved efforts toward sustaining the organizational culture.

### **Results according to research question**

Interview questions 2-7 are directly related to RQ1 as well as the theoretical framework offered by HRT, and they were developed to explore the perceptions of the founders, successors, and board members regarding the impact of the departure of the founder on leadership, motivation, teamwork, work environment, and power balance. Initial definitions of "organizational culture" were sought from each participant, via



Interview Question 1. Table 1 illustrates the connection among research questions and specific components of HRT.

Table 1

*Alignment of Interview Questions to Research Questions*

Research Question	Interview Question	Relation to Human Resource Theory
RQ1: How do leaders of community-based nonprofit organizations (the Founder (ED/CEO), Successor, and Board Members) perceive the departure of a founding leader as impacting the organizational culture?	Based on your definition (or organizational culture) how does the departure of the founding leader impact leadership?	Leadership
	How does the departure of the founding leader impact motivation?	Motivation
	How does the departure of the founding leader impact teamwork?	Teamwork
	How does the departure of the founding leader impact the work environment?	Work environment
	How does the departure of the founding leader impact the power balance between the leader and other members of the leadership team (successive leader, board members)?	Power balance
RQ2: What actions has the departing founding leader taken during the leadership transition process that impact the organizational culture (either positively or negatively)?	How does the departure of the founding leader impact organizational change with regard to the mission, vision, and goals?	Organizational change
	Can you describe the strategies used by the departing founding leader to facilitate the leadership transition process?  What positive or negative effects can you describe related to organizational culture that resulted from the leader's actions?	

*RQ1:* How do leaders of community-based nonprofit human service organizations (the Founder (ED/CEO), Successor, and Board Members) perceive the departure of a founding leader as impacting the organizational culture?

**Interview Q1: How do you define organizational culture?**

Nearly all participants, regardless of their role within the organizations, tended to have consistent themes in their definitions of organizational culture. Strong references to the history and development of the organization were prevalent, as well as consistent discussion of having positive interactions among organizational members as well as the community served. One successor explained, “the organizational culture is part and parcel of who’s there, the staff, the executive board, and the history.” One founder expressed the connection between the members or the organization and the history by explaining, “there is a DNA that we imprinted on everybody and anything that came in here to be a part of us.” This consistency among the interview participants, helps lend credibility to the responses to the remaining questions related to specific factors that may have been impacted by the departure of the founder.

**Interview Q2: How did the departure impact leadership?**

When founders were asked about the impact of their departure on leadership, there was a definite theme related to the mission, with many responses that identified themes of strategy, power, development, and communication. Founders were noting that the strategies developed during the leadership transition required open communication, but recognized that some development and growth was required. Two founders reported

that they felt their successor had a similar style of leadership and similar personality traits, while the other two discussed significant differences in style. The power shift, from one executive director to the next, or increasing the power of the board with a new executive director, was a common theme. One founder opted to function as an interim executive director while a successor was identified, changing the roles and structure of that organization.

Successors focused heavily on the history of the organization when asked about the impact on leadership. There was consistent recognition of the contributions of the founder, and frequent mentions of the importance of developing trust between the founder and successor, in order to have a successful transition. Open communication was discussed by all successors as being critical to the new leadership. Two successors specifically referred to the new leadership models, in which the duties of the departing founder were re-delegated to multiple personnel, with some organizations adding positions to round out senior leadership teams to make them more collaborative. One successor stated, "I realized I couldn't do it alone." Those organizations that did restructure their leadership teams reported that this increased open communication, also allowing for more collaborative leadership and decision-making policies.

Board members expressed more concern about the leadership shift, and tended to notice more of an impact resulting from the departure of the founding leader. One board member explained, "certain things are anchored to the past, to the personality, to the history, in a way that becomes unanchored when that person leaves." Another explained their worries about the transition by stating, "people were comfortable, [the founder] had

a certain style, a light, and [staff] didn't know what was going to happen," and that the leadership stability was in jeopardy during the succession process. However, most board members expressed that the transition offered a previously successful organization an opportunity for growth, for example, "I think that when that person leaves, it leaves open the possibility for change in a way that perhaps doesn't exist while the founder is still there." Although board members were most likely to express ambivalence about the change in leadership, most ultimately reported positive effects for the organization and that new leadership was successful.

### **Interview Q3: How did the departure impact motivation?**

Most participants interviewed explained that the impact of the departure on motivation depended on the role of the person being motivated. For example, the relationship that individuals had with the founder, and whether their personal situation may have been impacted by the departure, would impact their motivation. Motivation, as a whole, within each organization, appears to depend on the communication during the transition process, specifically the transparency of the transition and how well the transition plans were disseminated and communicated with all levels of staff. One founder explained, "There's some new ways of doing things that they don't like so much." Another founder expressed that they thought the staff felt "unsettled" with the transition. Successors were more likely to view the departure as having a positive impact on motivation, as there were perhaps new opportunities for staff members. One successor reported a specific plan to promote from within for some new positions, which they felt offered an opportunity to increase motivation for staff members. With some organizations

reporting restructure, members who may have been promoted were likely to have increased motivation.

**Interview Q4: How did the departure impact teamwork?**

Founders, successors, and board members all reported that the departure of the founder offered an opportunity for increased communication, which had a positive effect on teamwork. Those organizations that developed new leadership structures reported the greatest increase and improvement in teamwork, as they perceived the departure as an opportunity for team growth and new patterns of decision-making. One successor stated, “The change really helped solidify the teamwork.”

**Interview Q5: How did the departure impact the work environment?**

Although most founders reported that they felt they did not have enough specific information about the new work environment following their departure, they did tend to report a theme of trust, with most stating positive effects related to the new executive director, including, “[they] do a better job at pulling people together.” Most successors and board members reported that they perceived no significant change in the work environment resulting from the departure of the founder.

**Interview Q6: How did the departure impact the power balance?**

Board members were most likely to report an impact in the power balance as a result of the departure of the founder. Examples include, “the board is much more involved,” “[the founder] dictated more or less what [they] thought the board should know,” and “it’s time to change what comes to the board and under what circumstances.” Most board members reported that the board was now playing a more active role in

decision making, rather than being left more primarily to the founder alone. Successors discussed the importance of clear communication to re-establish a balance of power following the departure of the founder, such as. “the conflicts we have had have been related to, ‘I didn’t know that, why didn’t I know that?’, and we meet weekly to handle these challenges.” All founders, when asked about the impact of their departure on the power balance, discussed their development of boundaries and the importance of the transfer of power to the successor and board.

**Interview Q7: How did the departure impact the mission, vision, goals?**

When describing their perceptions of the changes to the mission, vision, and goals resulting from the departure of the founder, the two organizations for which the founder remained involved with the board or committees in some way reported no change to the mission, vision, or goals. For the two organizations with no subsequent involvement of the founder following the departure, some changes were noted with regard to the wording of the mission, vision, and goals; however, members of these organizations indicated that the general concept of the work being done remained consistent to the original philosophies of the mission, vision, and goals, with updates to reflect new structural models, new programming, or new facilities. Both the lack of change and the changes reported are consistent with the themes reported regarding any shift in power balance reported for Question 6.

Interview questions 8-9 are directly related to RQ2 as well as the theoretical framework offered by HRT, and they were developed to explore the perceptions of the founders, successors, and board members regarding the strategies used and the impact of

the actions of the founder on leadership, motivation, teamwork, work environment, and power balance during the leadership transition process.

RQ2 - What actions has the departing founder leader taken during the leadership transition process that impact the organizational culture (either positively or negatively)?

**Interview Q8: Describe the strategies used by the departing founder to facilitate the leadership transition?**

All of the founders in the study explained that there was no formal leadership succession plan prior to the planning of their departure. A consistent theme evolved with the provision of advice regarding how they would recommend that all nonprofits formally address this need well in advance of the departure of a founder, so as to better facilitate the process. Each founder described how their strategy and plan evolved, and there was considerable consistency in identifying the needs of the organization for structure, financial planning, staffing, and funding.

Successors were more likely to describe whether or not there was a formal grooming process during the transition. The grooming process for successors ranged from less than two months to approximately 18 months before the final transition occurred. Those with the shortest grooming periods reported that they came to the new position with relevant experience related to the duties of executive director, while those experiencing the longest grooming processes felt well supported by the founders and the board members of their organizations, and reported mainly positive experiences during the grooming process, which facilitated trust and respect.

Interestingly, there was little mention of the mission when participants described the strategies involved in the leadership succession process. This is a contrast to many of the responses to other questions in the interviews, which often led to discussions of the mission, vision, and goals, and the importance of adhering to these concepts.

Board members often described their perceptions of the increased involvement of the board during the succession process, and the trend toward making the previously passion-fed nonprofit organization more businesslike. One board member, when explaining the shift toward a more standard business model, explained, “we keep growing, and as we keep growing we realize that we want to make things maybe duplicable, replicable, and so that started getting us to standardize certain things.” Founders and successors tended to focus more on the communication and grooming involved during the leadership transition. All successors reported that they felt adequately groomed for the position, being allowed opportunities to work alongside the founder closely before the official departure as well as have necessary training and mentoring from outside agencies and training facilities. Founders commonly discussed their process of emotional removal from the organization that they had been so closely connected to, and the process of learning to trust their successors to maintain what they perceived as their legacy. All founders described elements of founder’s syndrome, as described by Block and Rosenberg (2002), affecting their ability to move through the transition, without specifically using the term. One founder stated, “that was a scary situation for both of us [referring to self and successor], we had to worry about building the right relationship.” Another explained, “nobody likes to leave things in a state of disarray and a



mess, and I don't want to be the person that leads us to closure." A third founder stated, "It's so hard when you're leaving, to be objective. Especially when you are leaving to retire. You're not leaving to go to a different job." The fourth said, "It was painful, it was [my story], but because I knew and loved everybody in this organization, and I knew they were passionate for what we started, there was a sense that I had to do this." Each of these quotes helps to describe the general sense presented by the founders, specifically, when referring to how they developed their transition strategy, and how components of founder's syndrome impacted their decisions and the process. Most of the negative components identified by Block and Rosenberg (2002) regarding the potential problems resulting from founder's being unable to shift power or micromanage with a totalitarian style were not observed in the organizations studied for this dissertation.

Comini et al. (2013) described the importance of the founder being able to redirect their energy in a positive direction, either by transferring power and fully departing or remaining in a reduced power role, so as to not sabotage the continuity of an organization as a reaction to their fear of having their dream destroyed after dedicating time, effort, and passion to the cause. All founders participating in this study did describe their deep emotional connection, but were able to fully transfer power by either fully departing or remaining in a reduced power role.

Because the founder tends to play such a significant role in the culture of an organization, their departure may significantly alter the organizational culture, depending on the behaviors of the founder during leadership transition processes (Block & Rosenberg, 2002; Block, 2004; Comini et al., 2013; Deaton et al., 2013; Gilmore, 2012;

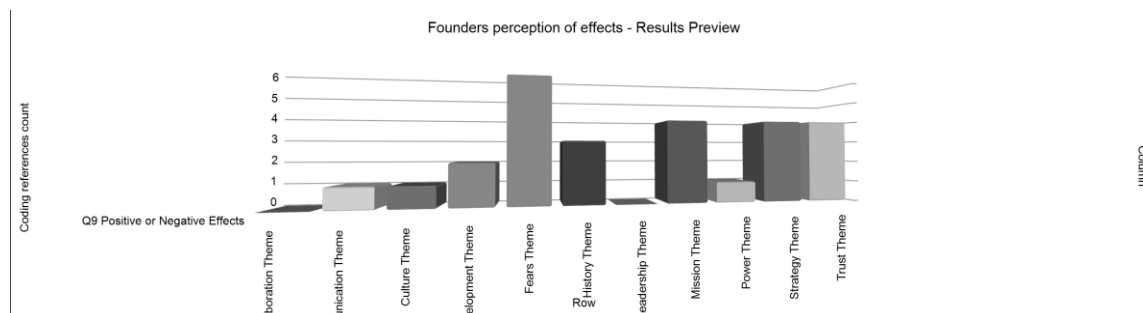
Hayek et al., 2015). For the leaders of the four organizations participating in this study, the behaviors of the founder during the leadership transition contributed positively to the sustainability of the organizational culture after their departure.

**Interview Q9: How would you describe the positive and/or negative effects on the organizational culture related to the actions of the departing founding leader during the leadership transition?**

Founders consistently identified the recognition of the history and mission of the organization as being primary contributing factors for the successful transitions. All founders identified specific advice regarding what they felt they might have done differently to further improve results. Founders also all identified positive and negative effects resulting from their actions during the leadership transition process. One founder stated, “I think one positive outcome is that it’s good for organizations to have change, to have new ideas.” Another discussed the importance of history and boundaries, “I recognize that I’m not the person to lead this thing anymore. I am not the executive director anymore, but I will always be the founder. Helping people realize that is no longer my chair is important.” The effort involved in creating boundaries, recognizing the need for change, shifting power effectively and trusting in the new leadership all appeared to contribute, as perceived by founders, to a positive outcome for the sustainability of their organizations’ culture. Negative effects reported by founders were minimal, and included uncertainty about how involved the board actually was, and some worry about the perceptions of staff members, with some founders expressing that

perhaps they did not communicate enough with lower levels of staff members to ease the transition.

Figure 1 illustrates the pattern of responses from founders when asked about the positive and negative effects of their actions to facilitate the leadership transition.



*Figure 1.* Founders' perceptions of effects according to sub-theme

Successors consistently identified commitment to the mission and history of their organization, yet some also identified a need for updating the mission, vision, and goals to reflect a new iteration of the organization moving forward. Those organizations that had a restructured and more collaborative leadership pattern reported high levels of success following the transition, “we have a good balance in the upper level management, because we have someone who’s more program focused and someone who’s more business focused,” and that “there are more defined roles now.” Successors identified some negative effects of the founders’ departure related to the discomfort of those remaining in the organization while adapting to the change, and identified a sense of loss when the founder left, “so, when you have someone who’s so valued like that on a personal level and the skills that [they] bring, their leaving, that’s the negative.” Successors were more likely to identify negative effects resulting from the strategies used

by the founder, typically citing uncertainty and fears as affecting the transition steps, yet all successors remained positive regarding the eventual outcomes and expressed respect for the founders. Examples of negative effects presented by successors included unclear planning for financial sustainability and changes in funding sources, which had a significant impact on organizational resources, leaving their situation potentially unsettled.

Board members identified the need for organizations to adopt a more business-like model, rather than a passion-based model, to sustain the organizational culture. Although board members often discussed the history and mission, many were focused on the fiduciary responsibilities and the fiscal changes that accompanied the departure of the founder, with specific reference to changing funding models and personnel structure. Board members also consistently discussed boundaries and power balance as being important components for the successful transition. One board member stated, “[the founder] brought in people with skills that weren’t there,” but went on to add, “There’s more diversity and in some ways our reach is greater, but the depth doesn’t have the same quality [after the founder left].” While the boundaries and power balance varied across organizations, with different levels of integration, these were noted as being primarily positive effects of the departing founders’ actions. A board member explained, “overall, the organization is in good shape, the leadership is strong, they are hitting their stride and figuring things out, it’s been good for the organization.”

### **Overarching Significant Thematic Elements**

Four overarching significant thematic elements are identified following the analysis of the codes and subthemes emerging from the interview responses. These thematic elements are:

- Strengthening accountability
- Individual vs. collaborative leadership
- Assess and develop competencies
- Ability to conceptualize change

Based on the interview data collected, these four thematic elements are presented as answers to the research questions, and help describe how the departure of the founding leader impacts the sustainability of the organizational culture and what strategies used by the departing founder most impacted the outcomes. Because these four overarching thematic elements are derived from the interview data, codes, and subthemes, they are closely aligned with the human resource theory framework used for the study. Each thematic element is comprised of multiple factors incorporated in the human resource theory, including leadership, motivation, teamwork, work environment, power balance, and organizational change. Figure 2 illustrates the connections among the overarching thematic elements and the subthemes identified.

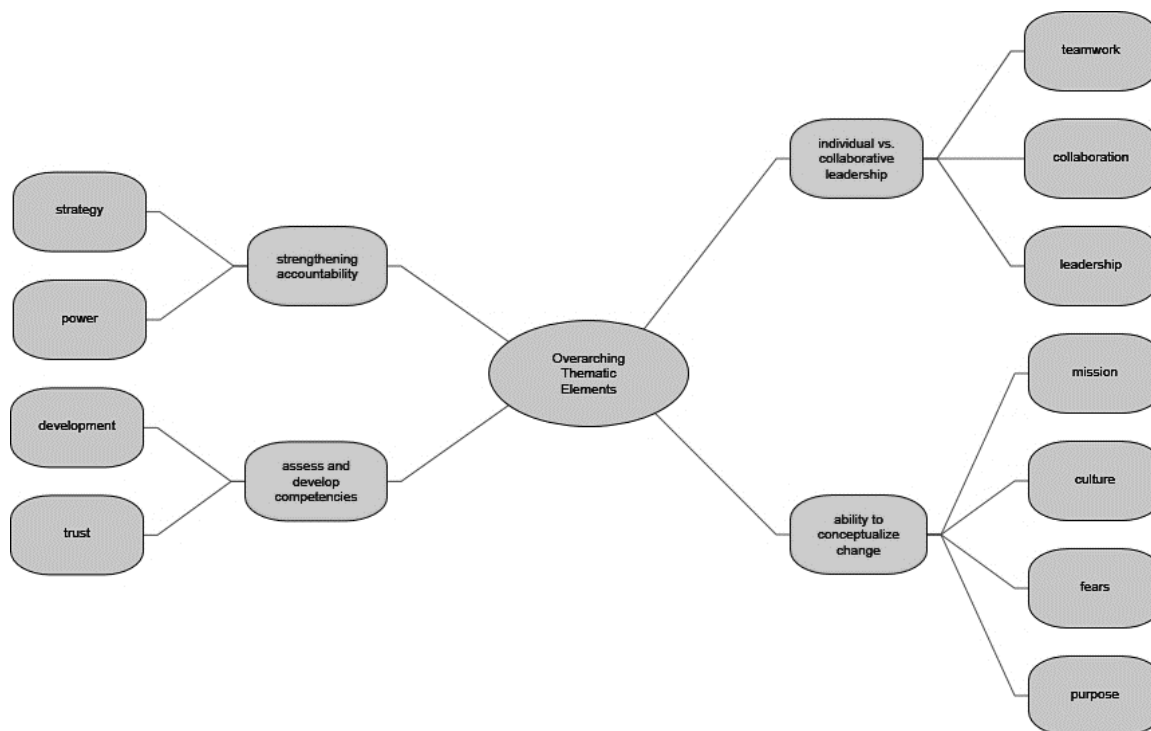


Figure 2. Correlation among overarching thematic elements and sub-themes

HRT, as explained by McGregor (1957), offers assumptions that two opposing styles of organizational structure will impact behaviors of institutions and people. The results of this study support the assumption of McGregor's Theory Y, which assumes people behave in certain ways because they are satisfied by their involvement and contribution to the organization and want to work toward success. Each of the leaders of the 4 organizations that participated in this research study showed successful outcomes following their first leadership transition, with the departure of the founder, and the development of the 4 thematic elements mentioned. The patterns observed and perceptions reported are in alignment with Theory Y of human resource theory.

The first theme, *strengthening accountability*, reflects the perceived importance by founders, successors, and board members of the regulation of power balance during a

leadership transition, the importance of ensuring open communication and transparency, the possible need to restructure leadership models, and the need to ensure consistent commitment and adherence to the mission, vision, and goals. Strengthening accountability thematically included codes and themes such as *strategy, power, advice, planning, structure, and succession*. Although none of the founders reported having a strategy for succession in advance of their planned departure, all did develop a strategy, often with the help of the board, and created and executed a plan that allowed for a successive executive director to take over the primary leadership. The successors were groomed to handle the position, and the boards were generally strengthened and became more involved with decision making, budgeting and financial planning, and overseeing the executive director and other senior leadership.

The second overarching thematic element, *individual vs. collaborative leadership*, is an important element for sustaining the organizational culture because it is necessary to ensure that leadership remains consistent, even if that requires changing responsibilities, increasing responsibilities, and embracing a more shared governance between various members of the leadership team. Individual vs. collaborative leadership incorporated themes and codes including *teamwork, collaboration, and leadership*. All participants in this study discussed that the founder, even those who were more collaborative in their executive director role, led the organization in a more individual way. All participants also discussed that following the transition, there was a greater sharing of power, information, and governance, whether or not these systems were

formalized by policies and procedures. This sense of collaboration appeared to contribute heavily to the sustainability of the organizational culture after the founder left their role.

The third overarching thematic element, *assess and develop competencies*, reflects the importance of using all resources effectively and ensuring that the successor is properly groomed for their new role. *Assess and develop competencies* is an overarching thematic element that includes the sub-themes and codes of *development, trust, respect, growth, grooming, and business*. All successors reported that there was a significant grooming process throughout the leadership transition process, and that it was a critical component for the successful outcome and sustainability of the organizational culture. Perceptions of the grooming process included that there was a positive correlation between the specific training and mentoring offered, as well as the opportunities to work closely with the founder in the period immediately preceding their departure, and the outcomes for organizational culture sustainability. The grooming process, which was an important time for founders, successors, and board members to assess and develop appropriate competencies, varied in duration, but consistently appeared to affect outcomes positively.

The fourth overarching thematic element, *ability to conceptualize change*, is also seen as highly associated with positive outcomes following the departure of the founder. *Ability to conceptualize change* included the themes and codes of *mission, culture, fears, purpose, adjustment, and history*. Although none of the organizations reported having a formal leadership succession plan in place prior to the founder's plan to leave, all organizations did successfully develop and implement a succession plan allowing for a



favorable outcome. Each participant discussed how the change impacted their organization, and most felt that the transition was well-planned and well-executed due to a collaborative sense of understanding the need for change and growth in the organization. Founders often discussed the need to move forward and transfer leadership of the organization if it was going to be sustainable. Although Gilmore (2012) discussed how many founders are in denial regarding the possibility that their effectiveness has deteriorated within an organization, and often experience a great sense of loss, the founders participating in this current study all reported feelings of loss and fear, but this did not appear to adversely affect their ability to participate in the succession process in a positive manner.

This ability of the founders, successors, and board members to conceptualize change appears to highly correlate to the positive outcome. Participants viewed even negative effects as opportunities for growth, progress, and a greater understanding. The impact of this allowed them to continue their commitment to the mission, vision, and goals, and help sustain the organizational culture.

### **Summary**

Data was collected from 16 participants using open-ended interview questions. Data was then analyzed to identify codes, sub-themes, and overarching thematic elements. The study results provide answers to the research questions by illuminating specific thematic elements that describe how the leaders of community-based nonprofit human service organizations, founders, successors, and board members, perceive the departure of a founding leader as impacting the organizational culture and the actions that

the departing founder leader taken during the leadership transition process that impact the culture positively or negatively. Four significant overarching thematic elements are identified:

- Strengthening accountability
- Individual vs. collaborative leadership
- Assess and develop competencies
- Ability to conceptualize change

These thematic elements tie closely to the components of HRT, including leadership, motivation, teamwork, work environment, power balance, and culture.

Chapter 5 will include an interpretation of the findings, a discussion of the limitations of the study, recommendations for future research, and a conclusion.

## Chapter 5: Discussion, Conclusions, and Recommendations

The purpose of this qualitative study was to understand the impact of the departure of founders on the sustainability of the organizational culture of community-based nonprofit human service organizations. This study was necessary to examine the perceptions of the founders, successors, and board members on impact of the founders' departure on the organizational culture. The literature revealed that founders have a significant impact on the development of organizational culture, and that there is a high risk of failure during the first leadership transition, when the founding leader leaves. Qualitative methods with a phenomenological approach were used to identify relevant factors that are perceived as important by those affected by the departure of a founding leader. Open ended interviews using a researcher-developed instrument were conducted to gather information. This information was then analyzed to identify patterns that help explain how the departure of a founding leader may impact nonprofit organizational sustainability. Interviews were transcribed, data was coded, categories were developed, and conclusions were drawn from patterns identified during the analysis process using both manual methods and NVivo software.

The lived experiences and perceptions of those affected by the departure of a founding leader were explored, with participants for the purposes of this study including founding leaders, successive leaders, and board members from four purposefully selected organizations who participated in and experienced the leadership succession process. Key findings suggest four overarching thematic elements related to the impact of the departure

of a founding leader on organizational cultural sustainability. These four thematic elements are:

- Strengthening accountability
- Individual vs. collaborative leadership
- Assess and develop competencies
- Ability to conceptualize change

Each of these elements helps to explain patterns and phenomena within the data and establish patterns derived from the experiences and perceptions of the participants regarding the impact of the departure.

### **Interpretation of Findings**

The themes identified provide answers to the research questions regarding the perceptions of the founders, successors, and board members regarding the impact of the departure of the founding leader on organizational culture sustainability, and how the actions of the founder during the leadership transition impacted the organizational culture. Because all of the members of each of the organizations participating in this study indicated that there were positive outcomes associated with cultural sustainability following the departure of the founding leader, these thematic elements are thought to be contributing factors for the perceived positive outcome. Each of these thematic elements may help to contribute to positive social change when used by the leaders of local community-based nonprofit human service organizations during a leadership transition, particularly when the leadership transition is the departure of a founding leader. The results of this study further confirm previous studies that underscored the importance of

how founding leaders who emphasize the contributions of the organization and the importance of the organizational culture are more likely to influence a successful leadership transition (Boyne et al., 2011), while additionally demonstrating that other members of the leadership team (successors and board members) also need to recognize and emphasize this correlation.

### **Strengthening Accountability**

Through the data analysis process, I was able to determine that each of the organizations participating in this study demonstrated a sense of strengthened accountability for the members of their organization, primarily at the leadership level. Hernandez (2012) and Hayek et al. (2015) identified a need to direct the resources of an organization effectively, including human resources, but did not explain exactly how the direction should occur. The organizations participating in this study ultimately demonstrated a strengthened accountability for those remaining within the organization, which helped to balance the power distance and sustain the organizational culture.

Strengthening accountability was demonstrated in multiple directions, both from the founder to the successor and board, and also from the board to the successor and founder. Three of the organizations reported that the founder gradually relinquished their power to their successor, prior to completion of the leadership transition. Successors and board members of the fourth organization reported that, although the founder did not formally relinquish their decision-making power until the time they officially left, they did gradually help to strengthen accountability by participating in the transition process through active interactions and discussions with the successor and board.

### **Individual vs. Collaborative Leadership**

Each of the leaders participating in the current study demonstrated an awareness and a shift to allow for a change from more individual leadership models to more collaborative leadership models. With regard to the specific strategies used by the founder to facilitate the transition, staffing and structure models were changed, boards were actively engaged in the transition process, and ultimately this led to more of a collaborative model of leadership following the change. Routhieaux (2015) and Gilmore (2012) both discussed the strategy of reducing power distance by utilizing a more shared leadership model. The four organizations participating in this study did ultimately move from a more individual leadership model to one with more collaborative leadership, and this positively impacted the sustainability of their organizational culture. Whether or not shared governance emerged in the organizations, all moved toward a model of more collaborative leadership, where power was more evenly dispersed and not primarily held by the executive director, as was the case for each of the organizations prior to their transitions. English and Peters (2011) emphasized the importance of allowing the voices of organizational members to be heard during a leadership transition, and the thematic element of individual vs. collaborative leadership helps to provide a framework through which this might be accomplished. The concept of sharing a voice may allow for greater leadership cohesion, and lead to greater sustainability.

All 16 of the leaders participating in the current study reported some shift in their leadership model toward greater collaboration. Two of the organizations formally restructured their leadership models to include additional members, such as deputy

directors or assistants, which were not previous roles within the organization. All of the leadership positions that were added were assigned to internal members of the organization, who, by report, all had intricate knowledge related to the operations of the organization and a strong commitment to the mission, vision, and goals.

### **Assess and Develop Competencies**

All founders participated actively in the grooming and development of their successors, which allowed them to assess the strengths and needs, and help develop the necessary competencies. Santora et al. (2015) outlined several issues thought to be potentially damaging to organizational sustainability, including failure to incorporate succession planning in advance and develop internal talent. Although none of the founders reported having a succession plan in advance of their planned departure, all directed effort toward developing the competencies of internal talent. Each successor was provided with adequate opportunities for training and development, to increase to a skill level perceived to be adequate for their new role. All 16 of the leaders reported collaborating with outside mentors and agencies to provide additional tools that would improve the operation of the organization. The current study helps to expand the literature by offering strategies for positive outcomes for organizations that do not have a prior succession plan in place, allowing for the dynamic development of a plan that will help facilitate a transition. By using the external agencies, programs, and mentors, leadership within each of the organizations was able to ultimately develop a plan, while it was being implemented, and make the necessary changes and adjustments during the process.

The ratio of internal vs. external successors found in this sample is generally consistent with reports in the literature, which suggest there is an overwhelming majority of successors chosen from outside of the organization when it is time for transition. Deaton et al. (2013) reported that only approximately 25% of nonprofit organizations use internal candidates for succession, while most for-profit companies tend to promote from within. The importance of assessing and developing competencies within organizations may help to improve outcomes, whether a successor is specifically chosen from within an organization or whether other members of the organization are promoted to higher positions to collaborate with leadership. Internal candidates may have a stronger commitment to the mission, vision, and goals, and be able to contribute to the sustainability of the healthy organizational culture.

### **Ability to Conceptualize Change**

Founding leaders who are more transformational in their leadership styles are more likely to develop healthy psychological contracts with members, generate greater buy-in, and create a power balance that supports the organization rather than divides it (Allen et al., 2013; Deaton et al., 2013). The style of each of the founders participating in this study was generally transformational, and the presence of healthy psychological contracts was noted, thereby increasing buy-in and improving the ability for conceptualizing change. Gothard and Austin (2013) explained the critical need for member and stakeholder buy-in during a transition. The participants of this study demonstrated an ability to conceptualize change that enabled the founders' strategies to be more successfully implemented during the leadership transition. Peet (2012) discussed



that when change is viewed positively, organizational cultures are able to remain more stable. Because the initial leadership succession presents a major threat to the organizational structure and culture, it is the founding leaders who are best able to keep productivity and morale among members high, using effective communication and transparency, who will be more likely to have organizations remain sustainable.

Because the concept of founder's syndrome implies that the struggles encountered by departing founders may impede the progress of the organization, it is important to fully recognize the potential for organizational inertia. Hutzschenreuter et al. (2012) discussed how the cognitive commitment of the founder may lead to less flexibility for the next generation. The ability to conceptualize change can help founding leaders who may be cognitively committed to maintaining previous courses of action develop greater adaptability, which can help to prevent organizational inertia, thereby leading to a more positive outcome with the successive leader. The relationships that are developed within the organization and among other community organizations allow opportunities for maximizing ongoing learning, growth, and collaboration (Hopkins et al., 2014). Being able to conceptualize change further helps founders and other leaders to continue the legacy, develop an adaptable culture, and perhaps inspire members to continue to contribute and participate. Again, within HRT, it is assumed that organizational members will continue to participate in a positive manner when they are satisfied with their role. These factors may help to develop and sustain this satisfaction. This relationship between management and behavior is significant when organizations face their first leadership transition.

All of the founders participating in this study expressed their perceptions that the organization would benefit from a change, specifically their departure. This serves to illustrate their desire to find a suitable replacement, provide the necessary support, and be able to relinquish their power as the leader. These behaviors allowed morale to remain generally high, although many of the participants did report their organizations as being somewhat unsettled during parts of the transition process. Overall, the ability of the founders, especially to conceptualize the change and willingly participate in the transition, was perceived as contributing positively to the outcomes and sustainability of the organizational culture following their departure.

### **Summary of Findings**

In summary, the emergence of the four overarching thematic elements offers a framework for potentially improving positive outcomes following the departure of a founding leader from a local community-based nonprofit human service organization. Previously, little research has explored the specific processes and elements that contribute to the sustainability of an organizational culture after the founder departs. The four thematic elements that emerged from this study primarily confirm knowledge in the discipline and help to extend knowledge previously reported in the literature by adding a level of detail not previously identified. Some of the prior themes identified in the literature were limited to the negative impact of founder's syndrome, the personality traits and leadership style of the founding leader, the failure of many nonprofits to properly groom successive leaders, and the impact of not having a formal succession plan in place. The interview questions used to collect data were specifically based on the

research questions, and helped to collect information that provided rich data regarding the actions of the departing founding leader, and the impact of their departure on the organizational culture of their organization. Each of the four overarching thematic elements identified in this study may help departing founders and other organizational leaders to develop policies and systems within nonprofit organizations that can help lead to successful leadership transition. The themes identified in this study allow for a positive approach to the departure of a founding leader, rather than follow the previous frameworks that focused on the potential negative effects of founder's syndrome, and may help organizations maintain their organizational culture following the leadership change.

### **Limitations of the Study**

Limitations that affect the study include the small sample size. The study was limited by my ability to gather enough diverse information from a group of participants with similar experiences. The study was designed to explore the perceptions and experiences of a specific group, but I was limited by the number of participants available at the time that sampling was conducted. Unless a diverse group of participants could be identified, transferability of study outcomes and generalization is potentially limited. By limiting the sample to local community-based nonprofit organizations, the results may have limited meaning to larger groups or larger organizations.

The findings of this study may not be generalizable or significant to other types of nonprofit organizations, or other sizes of organizations. Also, because there are only four organizations included in this study, it may not be a fully representative sample of

nonprofits at risk for failure during their first leadership transition. While none of the organizations reported having a succession plan in advance, all participants perceived that the founder, successor, and board all generally demonstrated proactive behaviors that helped improve the likelihood of positive outcomes.

Additionally, I have personally been involved in the leadership transition process for a public organization, and have personal perceptions and experiences that may potentially present a bias regarding the actions and behaviors of founding leaders, successive leaders, and organization members. Journaling throughout the research process, using peer critique, and maintaining awareness of the potential for bias helped to mitigate the effects of any potential bias. Bracketing of preconceived notions, as described by Patton (2015), was used to seriously explore the data without contaminating it with the preconceived notions of the researcher. I tried to ensure transferability by including rich, thick descriptions and enough detail to limit my potential bias.

### **Recommendations**

Further research is recommended to more deeply explore the impact of the departure of a founding leader on the sustainability of the organizational culture as perceived by varying levels of staff within organizations. This current research was limited to the perceptions of the upper levels of leadership within the organizations, yet the impact of the departure possibly has more far-reaching effects than those that can be described in this study. A study that explores how the departure of a founding leader impacts other levels of staff may further help nonprofit organizations remain sustainable following their first leadership transition. Additionally, a study that explores perceptions

of the same process (departure of a founding leader) with organizations from varying geographical and economic areas, or organizations of varying size and purpose, may yield further interesting results that could contribute to greater nonprofit sustainability. This study was limited to organizations that had positive outcomes following the departure of a founding leader, but further exploration of the negative impacts and outcomes of the departure on organizations, and understanding why the organizations may have failed to sustain their organizational culture may also provide valuable information that could help improve outcomes. The leaders of the organizations participating in this study all moved toward a more shared leadership model, but exploring how a formal shared governance may be developed prior to the departure of a founding leader may provide better structure for the development of a leadership succession plan.

### **Implications**

The results of this research study may help to contribute to positive social change by offering the leaders of local, community-based nonprofit human service organizations methods and ideas that may help to sustain their organizational culture following their first leadership transition, involving the departure of the founder. The results of this study established 4 thematic elements that, if incorporated into a leadership succession plan, may help to improve outcomes. Because communities rely on the services provided by nonprofit organizations, failure of nonprofit human service organizations can lead to service gaps within communities. The literature review reveals that the actions of the leadership team are expected to impact the outcomes of a leadership transition. The

results of the current study help to further identify patterns and themes that can be used by the founders, successors, and board members to create or modify related policy and actions, and help ensure sustainability of the organizational culture, a mainstay of most successful nonprofit organizations.

The results of this study are in direct alignment with much of the literature, in that founders have a significant impact on the development of the culture, which often directly reflects their own vision and personality. One factor that is noted throughout the literature is that sustainability can be directly affected by the power wielded by the founder, and this is particularly true during a transition when the founder is transferring their personal leadership, which is affected by their passion (Hayek et al., 2015). The results of this study confirm the importance of establishing a supportive power balance, which can be accomplished when leadership (founders, successors, and board members) have a shared commitment to avoiding organizational inertia and moving forward with new power balance and new leadership models, when necessary. The ability to conceptualize change and establish more collaborative leadership models allows a new iteration to move forward, protecting the legacy of the founder, while continuing to positively support communities according to the mission, vision, and goals.

Previous studies have discussed how failure to create succession plans in advance and failure to develop internal talent can be very damaging to organizational sustainability (Santora et al., 2015). The current study expands this position because none of the organizations included in the study did have formal succession plans in place or plans to develop internal talent prior to the planning of the departure. All of the

organizations included in the study were able to adjust and modify their structures, power balance, and talent base in a manner that facilitated sustainability of the organizational culture. Although only 1 of the organizations had a successor from within the organization, all participants reported that their organizations did promote others from within to various higher-level or leadership positions, and attempted to maximize internal talent in that manner.

### **Significance to Practice**

The themes identified in the study can be used to help those nonprofit organizations that are experiencing an imminent departure of a founding leader. The patterns that emerged from this research may help a previously successful organization maintain and sustain its organizational culture by describing some of the important factors that are perceived to contribute to successful transitions. The failure of nonprofit organizations commonly occurs during the first leadership transition, with the departure of the founding leader. The shift from a passion-based organization to a business model may be a complicated one, and finding the right person or set of people to take over leadership is often a challenge. The thematic elements identified in this current study may offer those involved in a leadership transition guidance toward the improvement of outcomes and sustainability of the organizational culture.

### **Significance to Theory**

Explanations of HRT, as presented by McGregor (1957) provide a framework for understanding how the behaviors of organizations and the behaviors of people within those organizations all affect organizational culture. The results of the current study

confirm that the behaviors of people within organizations, specifically the departing founders, can impact sustainability. Positively perceived actions and behaviors led to greater perceived success and continued commitment to the mission, vision, and goals. The thematic elements identified in this current study can be seen as confirming certain assumptions in HRT, specifically how management influences behavior, and strengthening the idea that the behaviors of individuals within organizations are important for development and sustainability of the organizational culture.

### **Significance to Social Change**

The implications of the results of this research study can help provide a framework for organizations preparing for the departure of a founding leader. Recognizing the need for, and developing a plan for the sustainability of the organizational culture is critical for successful outcomes. The themes presented from this research study may help leaders of local, community-based human service organizations recognize positive patterns and develop suitable plans for sustaining the culture. Because communities rely on the services provided by these organizations, community needs remain unmet when nonprofits fail. Decreasing the incidence of service gaps in communities will help improve the delivery of those services and contribute to positive social change.

### **Conclusions**

The sustainability of an organizational culture following the departure of a founding leader requires a significant investment of time and energy. For local, community-based nonprofit human service organizations, the success of the first



leadership transition can be critical to eliminating service gaps in communities by maintaining important services provided by nonprofit organizations. Unless the organizational culture can be sustained, the organization may experience failure. By maximizing not only the commitment of the founder, but also other members of the leadership team (successors and board members), outcomes can be improved.

The development of strengthened accountability, collaborative leadership, greater levels of competencies, and the ability to conceptualize change all help to maintain the shared meaning and purpose for the organization and continue the mission, vision, and goals, and improve perceived outcomes for organizations experiencing a transition because of the departure of the passionate founding leader. This research study provides key elements that may help leaders of nonprofit organizations develop policies and strategies that can improve outcomes of a first leadership transition.

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## Appendix A: Sampling Letter

[Date]

[Name]

[Address]

Dear [Name],

I am writing to tell you about my dissertation research, entitled “Nonprofit Sustainability: How Does Departure of a Founding Leader Impact Outcomes.” I obtained information about your organization from the Charities Bureau of New York State website. I am contacting you because it is my understanding that your organization has experienced a leadership transition with the departure of a founding leader within the past year.

The purpose of my study is to explore the perceptions and experiences of those affected by the departure of a founding leader from a community-based nonprofit human services organization. I intend to interview departing/departed founding leaders, successive leaders, and two board members from each selected organization. The results of this study may help to improve sustainability of nonprofit organizations following leadership transitions; increased sustainability may help to prevent important community needs from being unmet.

You may be eligible for participation in this study if you are departing/departed founding leader, a successive leader, or a remaining board member of a qualifying organization, and if your organization has experienced a leadership transition within the past year. Your participation is strictly voluntary. Confidentiality of participants’ responses is ensured. Although other participants from your organization will likely know your identity, all responses will remain private between myself and the participant. Each participant will be interviewed once, with an interview duration of approximately 30 minutes. You will be provided with a transcript of your responses to review to ensure accuracy. There is no reimbursement or compensation for participation in this study. There is no penalty for withdrawal from the study. Prior to the initiation of the study, you will be asked to sign an informed consent to participate. You are free to keep a copy of this consent for your records.

If you would like to learn more about this study, please contact me prior to [DATE] via email or telephone to discuss your participation. Only organizations that can agree to participation of all affected members (as defined by the study) will be selected. If you have further questions regarding your rights as a participant, please contact [Walden Representative] for additional information.

Thank you for your time and consideration.



Sincerely,

Lauren McIndoo  
Doctoral Student at Walden University  
Public Policy and Administration  
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## Appendix B: Nonprofit Sustainability Interview Protocol

Proposed questions are as follows:

1. How do you define organizational culture?
2. Based on your definition, how does the departure of the founding leader impact:
  - a. Leadership
  - b. Motivation
  - c. Teamwork
  - d. Work environment
  - e. Power balance between leader and other members of leadership team  
(successive leader, board members)
  - f. Organizational change with regard to mission, vision, and goals
3. Can you describe the strategies used by the departing leader to facilitate the leadership transition process?
4. What positive and/or negative effects can you describe related to organizational culture that resulted from the leader's actions?