



Executive Search / Interim Leadership Collaboration

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Most nonprofits, like many small and midsize businesses, lack the resources, skills, and knowledge to find a new executive director/CEO in a competitive marketplace. And even if the nonprofit has internal recruiters, they tend to be generalists whose skills and knowledge are not honed for competing for top level senior talent.

Retained executive search consultants are designed to do the senior recruitment the nonprofit is not as equipped to do. They are consultants who are in tune with the changing marketplace. They know how to identity and engage potential candidates who are often not "looking". They can manage internal expectations and unpredictable search committees. They know how to negotiate the offer. And they keep a focus on recruitment while the client is dealing with the many stresses associated with leadership transitions.

Executive Search firm's assessment can identify and solve many issues, However, sometimes nonprofit's undergoing leadership transitions will need several months of problem solving beyond the scope of the retained executive search consultant's assessment and services. Perhaps the Board fundamentally disagrees about the nonprofit's vision for the future, or the organization is experiencing significant financial pressures, or poor leadership has led to an unhealthy culture and people are leaving, or a scandal has soiled their reputation making it difficult to recruit. Perhaps management simply can't provide the basic information and operational stability that a search firm needs to be successful in a competitive market.

When there is a void, instability, uncertainty or the nonprofit is not ready to begin a search, professional interim leaders can step in to stabilize the situation and prepare the organization for the recruitment process. As the "recruitment clock" is not on, they have the time to conduct a more in-depth assessment than a search consultant. They can address key operational issues, support and rebuild the trust of the staff, Board and stakeholders, and work with the search consultant to agree upon the position's responsibilities and qualifications. As these internal consultants are only there for a relatively short time to strengthen the organization, they can objectively help the Board determine when the conditions are in place to retain an executive search consultant.

When the conditions are right to recruit, the retained executive firm can work with the search committee to (a) create a market ready strategic position announcement (b) identify, engage and screen qualified candidates (c) facilitate board interviews and (d) advise on selections, negotiations and the onboarding process.

Since search firms and interim leaders have a common goal, to set the stage for the next permanent executive, it is important that they both have access to leadership, share confidential information and agree upon a common vision of success. In this context, the search and interim consultant, when confronted with staffing, technology, fundraising and other ongoing issues, have to partner with the Board to jointly assess:

- 1. Should the current issue be ignored? or
- 2. Should the current issue be totally resolved immediately? or
- 3. Should the current issue be partially resolved but completed later? or
- 4. Should the current issue be deferred for when the new leader arrives?

While this partnership takes an additional investment in time and resources, it sets the next leader up for long-term success. Understanding that each situation is different, Interim leaders are usually in place for 4-12 months and are often paid for out of the unused budget for the vacant position. The Executive search often occurs in the last 4-5 months of the engagement after which the nonprofit may have to wait for the hire to be available. Fees for executive search are based upon a % of the first year's salary.